II. Selected Performance Trends

Number of World Trade Organization Member Countries (Cumulative)

Year	Value
2000	135
2001	142
2002	144
2003	148
2003	146

Legend: Result / Target

Number of Countries Agreeing to "Open Skies" Agreements (Cumulative)

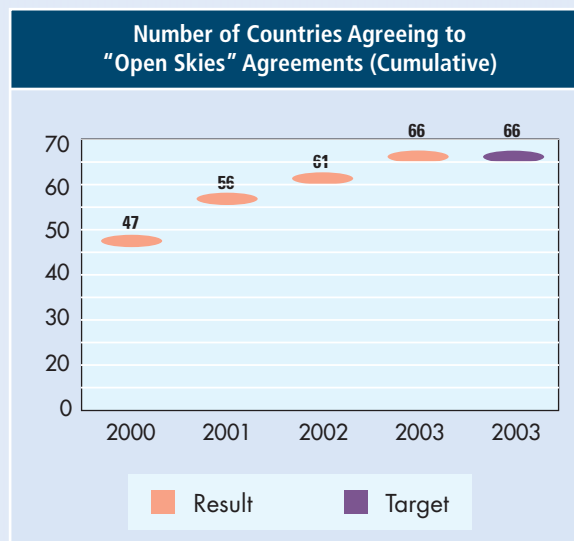| Year	Value
2000	47
2001	56
2002	61
2003	66
2003	66

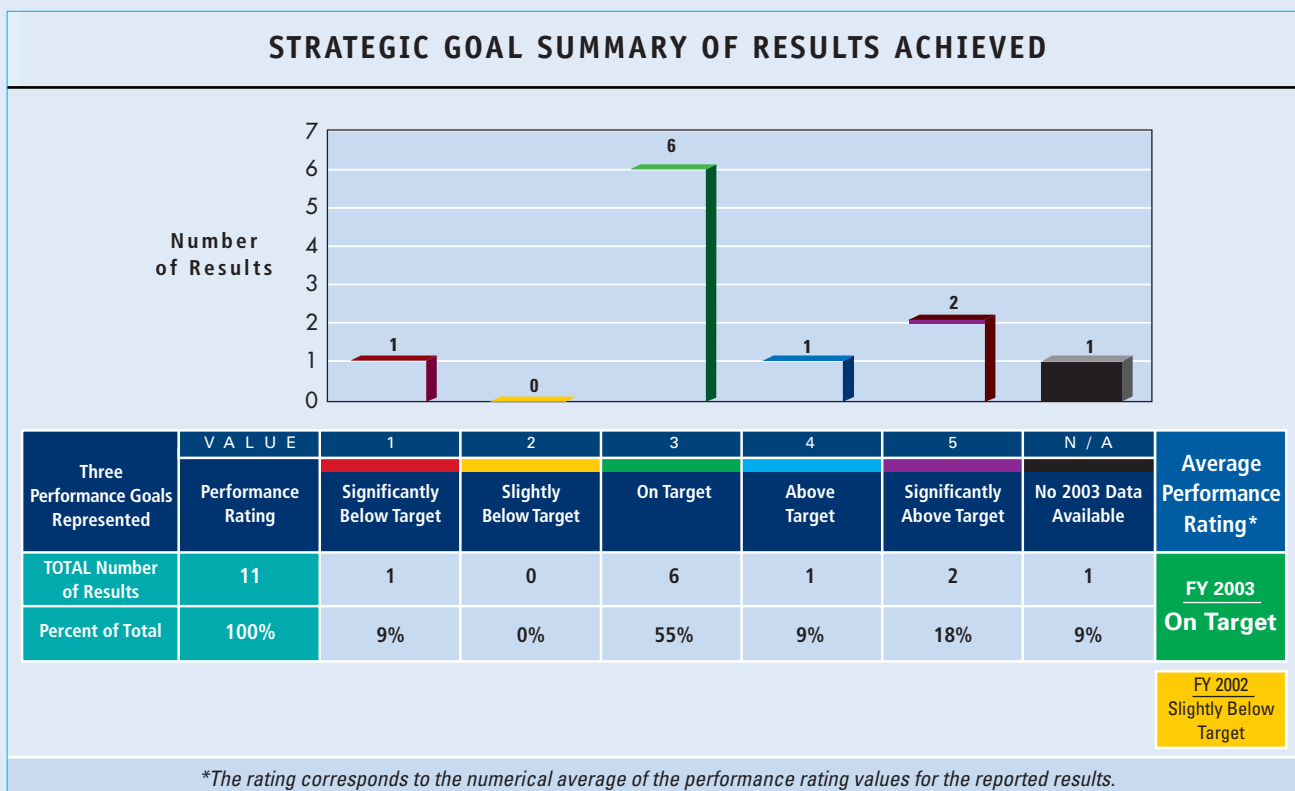Legend: Result / Target

III. Strategic Context

The Economic Prosperity and Security strategic goal is supported by three performance goals. Shown below are the major initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Economic Prosperity and Security	Economic Growth and Development	Development Strategies	Economic and Business Affairs, and International Organizations	USAID, Treasury, DOC, USDA, EXIM, OPIC, TDA, USTR, IMF, World Bank, Regional Devl Banks, UNDP, ILO, WTO, OECD, UNCTAD[1] UNCTAD1, UNICEF, FAO, G-8
	Trade and Investment	Create Open and Dynamic World Markets	Economic and Business Affairs	USTR, Treasury, DOC, DOT, USDA, TDA, USAID, WTO, OECD, international institutions, private sector and NGOs
	Secure and Stable Markets	Secure Energy Supplies	Economic and Business Affairs	DOE, IEA, foreign governments
		Stable Financial Markets	Economic and Business Affairs	Treasury, IMF, World Bank, OECD, Regional Development Banks
	Food Security and Agriculture Development	Accomplishment of this goal is the responsibility of USAID.		

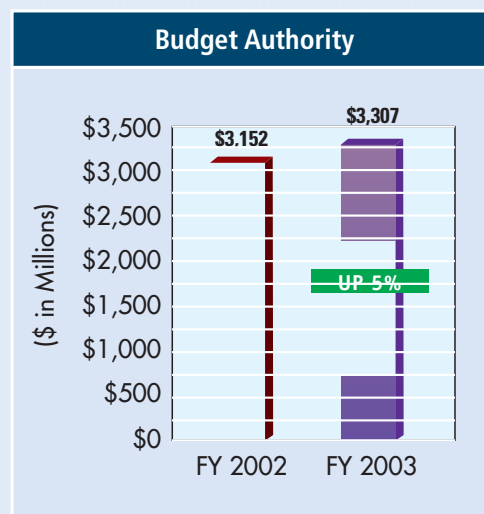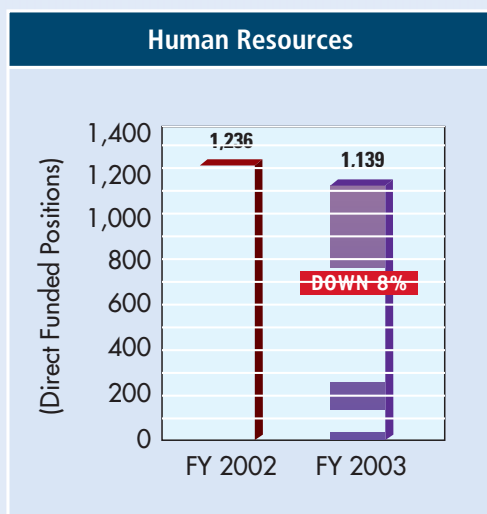[1] UNCTAD= UN Conference on Trade and Development.

IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Economic Prosperity and Security strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", an improvement from last year's "slightly below target" rating.

STRATEGIC GOAL SUMMARY OF RESULTS ACHIEVED

Three Performance Goals Represented	VALUE Performance Rating	1 Significantly Below Target	2 Slightly Below Target	3 On Target	4 Above Target	5 Significantly Above Target	N/A No 2003 Data Available	Average Performance Rating*
TOTAL Number of Results	11	1	0	6	1	2	1	**FY 2003** **On Target**
Percent of Total	100%	9%	0%	55%	9%	18%	9%	
								FY 2002 Slightly Below Target

The rating corresponds to the numerical average of the performance rating values for the reported results.

V. Resources Invested

Human Resources

(Direct Funded Positions)

1,236 (FY 2002)
1,139 (FY 2003)
DOWN 8%

Budget Authority

($ in Millions)

$3,152 (FY 2002)
$3,307 (FY 2003)
UP 5%

VI. Illustrative Example of a Significant Achievement

U.S. Trade and Investment

As a key part of the interagency advocacy and outreach process, the Department assisted over 180 U.S. companies to ensure transparency and fair play in foreign government procurements and other actions; promote market access and reform; and expand business promotion activities. The Department assisted over 75 U.S. companies seeking foreign government procurement, advised over 50 companies involved in aviation services, and consulted regularly with 30 biotech groups and Intellectual Property Rights (IPR) associations. Advocacy with foreign telecom regulators alone saved $125 million for U.S. business. Three aviation liberalization agreements were also concluded to expand markets for U.S. firms.

A Boeing 757 in Shanghai Airlines colors is shown. Boeing Commercial Airplanes announced that Shanghai Airlines has ordered five Boeing 757-200s, the first order for 757s since 2001.   © AP Photo

VII. Performance Results

PERFORMANCE GOAL 1

Institutions, laws, and policies foster private sector growth, macroeconomic stability, and poverty reduction

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I/P #1: DEVELOPMENT STRATEGIES

Devise coherent country, regional, and global development strategies to ensure bilateral and multilateral development assistance advances economic stability/integration in the global economy.

		IMPACT INDICATOR
		Indicator #1: Average Developing Country Growth Competitiveness Index
FY RESULTS HISTORY	2000	**Baseline:** 4.78
	2001	4.81
	2002	Data not yet available; expected in July 2004.
FY 2003 DATA	**2003 Results**	Data not yet available.
	Target	Increase in average Growth Competitiveness Index.
	Rating	⬛ N/A
	Impact	N/A

		OUTPUT INDICATOR
		Indicator #2: The Millennium Challenge Account (MCA)
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	**Baseline:** The President announced the MCA. Agreement on indicators for MCA allocation.
FY 2003 DATA	**2003 Results**	Onset of program is delayed until Congressional action.
	Target	Obtain Congressional support and legislative authorization for the MCA. Choose countries for initial MCA funding and establish an administrative mechanism.
	Rating	🟥 **Significantly Below Target**
	Impact	Congressional delay on passage of authorizing and implementing legislation for the MCA has prevented funding and staffing of the Millennium Challenge Corporation (MCC), the entity tasked with making the MCA operational. However Congress is expected to pass necessary legislation by January 2004 and the Administration has made plans for MCC to be fully functional shortly thereafter. Target should be reached in the first half of FY 2004.
	Other Issues	**Reason for Significant Performance Target Shortfall:** Congress did not enact authorizing and implementing legislation for MCA in FY 2003, thus delaying initiation of the MCA program. The Department worked closely with congressional members and staff on the MCA concept so as to enable passage by January 2004. The Department has also worked to ensure a quick start-up of the MCC once legislation has passed.

PERFORMANCE GOAL 2

Increased trade and investment achieved through market-opening international agreements and further integration of developing countries into the trading system

I/P #2: CREATE OPEN AND DYNAMIC WORLD MARKETS

Pursue increased market access through multilateral, regional, and bilateral negotiations to conclude agreements to create open investment policies and free trade in goods and services.

OUTCOME INDICATOR

Indicator #1: Status of Negotiations on Open Markets for Services, Trade, and Investment

FY RESULTS HISTORY	2000	**Baseline:** WTO negotiations on agriculture and services began. Ten Bilateral Investment Treaties (BITs) sent to Senate for ratification. Negotiations on Free Trade Agreements (FTAs) ongoing.
	2001	Preparations for launch of new WTO round underway. Chile and Singapore FTA negotiations began. Congress approved Jordan FTA. Five BITs entered into force. APEC leaders agreed in Shanghai to liberalize trade and investment.
	2002	WTO launched new round in Doha. China and Taiwan joined WTO. Jordan FTA entered into force. Chile and Singapore FTA negotiations continued. Morocco, Central American Free Trade Area (CAFTA), Southern African Customs Union (SACU) and Australia identified as partners for FTAs. BIT discussions continued with Venezuela, Peru, Colombia, and South Korea. China took concrete steps to remove trade barriers and open its markets; some shortfalls remained in areas of interest.
FY 2003 DATA	**2003 Results**	1. Two FTAs (Chile, Singapore) concluded. 2. WTO and Free Trade of the Americas (FTAA) negotiations continue. 3. FTA negotiations began with CAFTA, Morocco, SACU, and Australia. 4. Due to the lack of inter-agency agreement on draft BIT language, no new BITs were concluded in FY 2003. ● Also, notified Congress of intent to initiate FTA talks with Dominican Republic and Bahrain.
	Target	1. Conclude Chile and Singapore FTAs. 2. Continue WTO Doha Round negotiations and Free Trade Area of the Americas (FTAA) negotiations. 3. Begin new FTA negotiations with CAFTA, Morocco, SACU and Australia. 4. Conclude two new BITs.
	Rating	🟩 **On Target**
	Impact	FTAs open markets for U.S. businesses, serve as model agreements for future FTAs, and provide leverage in other negotiations. Statistics on NAFTA, for example, show that, in the ten years of its existence U.S. exports to Canada and Mexico grew from $147.7 billion to $260.2 billion, and foreign direct investment in all three countries went from $136.9 billion in 1993 to $299.2 billion in 2000. Spurred by both NAFTA and the WTO Uruguay Round Agreements, expanded trade through exports accounted for about 25 percent of U.S. economic growth over the last decade and supported an estimated 12 million American jobs. According to the World Bank, full trade liberalization in goods and services through the WTO could lift 300 million people out of poverty by 2015. Impasse at September 2003 Cancun WTO Ministerial will slow efforts toward multilateral trade liberalization; lack of agreed model BIT delays negotiation of BITs.

I/P #2: CREATE OPEN AND DYNAMIC WORLD MARKETS *Continued*

OUTPUT INDICATOR

Indicator #2: Number of Market Opening Transportation Agreements in Place

FY RESULTS HISTORY		
	2000	**Baseline:** Open Skies agreements in place with forty-seven countries.
	2001	1. Five additional bilateral Open Skies agreements concluded. 2. Multilateral Open Skies agreements with four countries concluded.
	2002	Five additional bilateral Open Skies agreements plus three other liberalized agreements concluded.

FY 2003 DATA		
	2003 Results	1. Concluded three bilateral Open Skies agreements: Jamaica, Albania, and Thailand (all cargo Open Skies); and one Multilateral Accession: Samoa. 2. Liberalized two (non-Open Skies) Agreements: Hong Kong and Thailand.
	Target	1. Conclude three full Open Skies agreements: Jamaica, Albania, and Samoa. 2. Conclude two non-Open Skies agreements: Hong Kong and Thailand.
	Rating	■ **1. On Target** ■ **2. On Target**
	Impact	Hong Kong deal will generate estimated $1.5 billion in revenue for U.S. carriers in the next three years; others expand global links for U.S. (and foreign) carriers, lowering costs for travelers and shippers, and help open markets for U.S. firms.

OUTPUT INDICATOR

Indicator #3: Number of Countries Allowing Commercial use of Agricultural Biotechnology and Global Acreage of Biotech Crops Under Cultivation

FY RESULTS HISTORY		
	2000	**Baseline:** Seven countries allowed commercial use of ag-biotech products.
	2001	1. Seven additional countries allowed commercial use of ag-biotech products. 2. Acreage under cultivation increased.
	2002	1. India commercialized transgenic cotton. 2. Philippines and Brazil took initial steps toward commercializing ag-biotech.

FY 2003 DATA		
	2003 Results	1. The Philippines and Brazil commercialized ag-biotech. 2. Biotech acreage continued to expand.
	Target	1. The Philippines and Brazil commercialize ag-biotech. 2. Biotech acreage continues to expand.
	Rating	■ **1. On Target** ■ **2. On Target**
	Impact	● In 2003, the Philippines became the first country in Asia to commercialize a biotech food crop, maize. ● While there was some movement made on the part of the Kenyan Parliament this year, they did not enact legislation that would allow the commercial planting of biotech crops. ● Brazil authorized the commercial planting of biotech soybeans this year. As the second largest exporter of soybeans in the world, this decision will have a significant impact on the global acreage of biotech crops under cultivation.

I/P #2: CREATE OPEN AND DYNAMIC WORLD MARKETS *Continued*

OUTPUT INDICATOR

Indicator #4: Number of New Accessions to the WTO

FY RESULTS HISTORY

Year	
2000	**Baseline:** 135 total members.
2001	7 new accessions. 142 total members.
2002	2 new accessions. 144 total members.

FY 2003 DATA

2003 Results	Four new accessions (Armenia, Cambodia, Former Yugoslav Republic of Macedonia, and Nepal) bring total to 148 members.
Target	2 new accessions for a total of 146 members.
Rating	■ **Significantly Above Target**
Impact	Increasing the number of WTO members broadens acceptance of market-oriented principles.
Other Issues	**Reason for Significantly Exceeding Performance Target:** The rate of accession for aspirant countries to the WTO depends on a number of factors, including WTO member concerns and domestic policitical considerations. It is difficult to predict exactly when a country will have satisfied accession requirements, although a general timeline is possible. In this instance, two countries progressed more rapidly than originally anticipated and were able to join the WTO earlier than expected.

OUTPUT INDICATOR

Indicator #5: International Telecommunication Union (ITU) Recommendations Adopted

FY RESULTS HISTORY

Year	
2000	**Baseline:** 526
2001	321
2002	385

FY 2003 DATA

2003 Results	472 U.S. telecom, information technology, radio communication proposals/positions, standards, and recommendations adopted.
Target	Adoption of 455 U.S. telecom, information technology (IT), radio communication proposals/positions, standards and recommendations favorable to U.S. businesses in International Telecommunications agreements and declarations.
Rating	■ **Significantly Above Target**
Impact	Adoption of ITU recommendations and U.S. telecom, information technology, and radio communication proposals/positions and standards/recommendations gauges the willingness of countries to adhere to principles favorable to market-oriented policies. As such, the ability of the U.S. to persuade other countries to adopt these measures increases business opportunities for U.S. firms. Examples of those that have benefited from recently adopted recommendations/proposals include the wireless local area network systems, the commercial roll-out of broadband services for airline passengers, and the manufacturers of small broadcast satellite service antennas that are widely used in the United States.
Other Issues	**Reason for Significantly Exceeding Performance Target:** The number of recommendations adopted at the ITU depends on a number of factors, including countries' perceived negotiating space and whether there are any counter-proposals. U.S. Representatives were able to persuade ITU members to adopt a higher number of recommendations than originally predicted due to a successful negotiating strategy.

PERFORMANCE GOAL 3
Secure and stable financial and energy markets.

I/P #3: SECURE ENERGY SUPPLIES

Prevent sudden disruptions in the oil market from damaging the world economy by ensuring that the U.S. and other nations maintain their own Strategic Petroleum Reserves.

OUTPUT INDICATOR

Indicator #1: World Emergency Oil Stocks

FY RESULTS HISTORY		
	2000	**Baseline:** International Energy Agency (IEA) stock level was 111 days of net oil imports.
	2001	IEA stock level was 112 days of net oil imports.
	2002	1. Higher stock levels in the United States, Japan, and South Korea (a new IEA member). 2. Increased overall IEA stocks to 114 days of net oil imports as of December 21, 2002. 3. China (a non-IEA member) actively engaged with the IEA, APEC, and the United States to create emergency oil stock reserves and has formulated a plan for holding significant stocks.

FY 2003 DATA		
	2003 Results	As of July 1, 2003, emergency reserves of IEA members stood at 116 days of net import coverage. Final data will not be available until sometime in FY 2004.
	Target	Increase IEA and non-IEA emergency oil stocks above FY 2002 stock levels.
	Rating	🟩 **On Target**
	Impact	Higher levels of emergency reserves increase the flexibility of the United States and other petroleum importers to respond to disruptions in supply. Discussions continue with non-IEA members, including India and China -- bilaterally and through APEC and the IEA -- on establishing and filling their own strategic petroleum reserves.

I/P #4: STABLE FINANCIAL MARKETS

Prevent financial disruptions from undermining the economic stability of global markets.

OUTCOME INDICATOR		
Indicator #2: Percentage of Debt Crisis Countries on IMF Programs Successfully Reform		

FY RESULTS HISTORY	2000	**Baseline:** 61%
	2001	57%
	2002	63%

FY 2003 DATA	2003 Results	70%
	Target	60%
	Rating	▨ Above Target
	Impact	Successful reforms instituted under IMF programs reduce the risk of future systemic failure in government fiscal and monetary policies, enable debt-burdened countries to return to growth and devote more resources to social needs, and increase likelihood that countries can meet remaining financial obligations. In FY 2003, the Department, ◉ Devised debt strategies on Iraq and Afghanistan; ◉ Fulfilled the President's commitment to provide $1B in debt relief to Pakistan; ◉ Through the Paris Club, provided $881M ($40M from U.S.) in debt relief to Benin, Ecuador, Mali, and Nicaragua; ◉ Helped push IMF and Argentina to agree on a program.

VIII. Program Evaluations and PART Reviews

One program evaluation was conducted in FY 2003 that pertained to this Strategic Goal.

■ Free trade area of the Americas: Negotiations Progress, but Successful Ministerial Hinges on Intensified U.S. Preparations. (GAO-03-560)

Detailed information for this program evaluation on major findings, recommendations and actions to be taken can be found in the "Completed Program Evaluations for FY 2003" appendix.

A man looks at the electronic stock market display in Tokyo's Marunouchi financial district.
© AP Photo/Everett Kennedy Brown

STRATEGIC OBJECTIVE #2:
ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS

STRATEGIC GOAL 9: SOCIAL AND ENVIRONMENTAL ISSUES

Improve health, education, environment, and other conditions for the global population

I. Public Benefit

> *"The strong partnership between American science and American statecraft is more critical than ever in meeting the challenges of the 21st century. Whether the mission is supporting the President's campaign against terrorism, implementing arms agreements, creating conditions for sustainable development, or stemming the global HIV/AIDS pandemic, the formulation of foreign policy must proceed from a solid scientific foundation.*
>
> *- Secretary Colin L. Powell*

Disease, poverty, environmental degradation, poor health and unchecked migration destroy lives, ravage societies, destabilize regions, and cheat future generations of prosperity. While these social and environmental problems are daunting, ample experience at the international and national level demonstrates that progress is possible through concerted efforts. The United States has both humanitarian and security interests in helping countries tackle social and environmental problems. Left unresolved, these problems will aggravate social and political instability and could reverse the development advances made over the last several decades. By confronting these problems, we can save lives, reduce human suffering, lay the groundwork for sustainable economic development, and prevent adverse conditions from spilling across our borders.

We will build public-private partnerships that leverage resources, strengthen international cooperation, and help other countries build their institutional capacity to manage these problems. We will encourage good governance, necessary for making sustainable gains against social and environmental problems, by bringing problems to light, enabling varied, creative solutions in the context of public debate, and holding governments accountable for results.

II. Selected Performance Trends

Number of Countries With Stabilized or Reduced Rates of New HIV Infections (Cumulative)

Year	Result	Target
2001	3	
2002	5	
2003	6	
2003		6
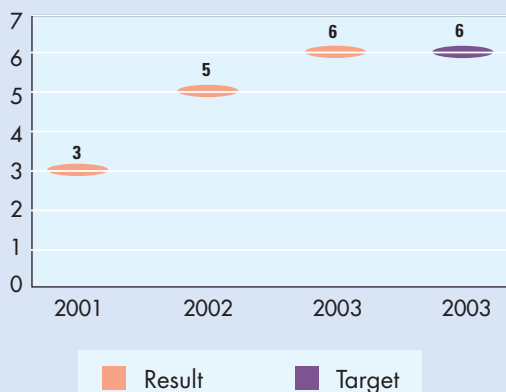
Number of Tropical Forest Conservation Agreements in Force to Relieve Debt and Conserve Forests (Cumulative)

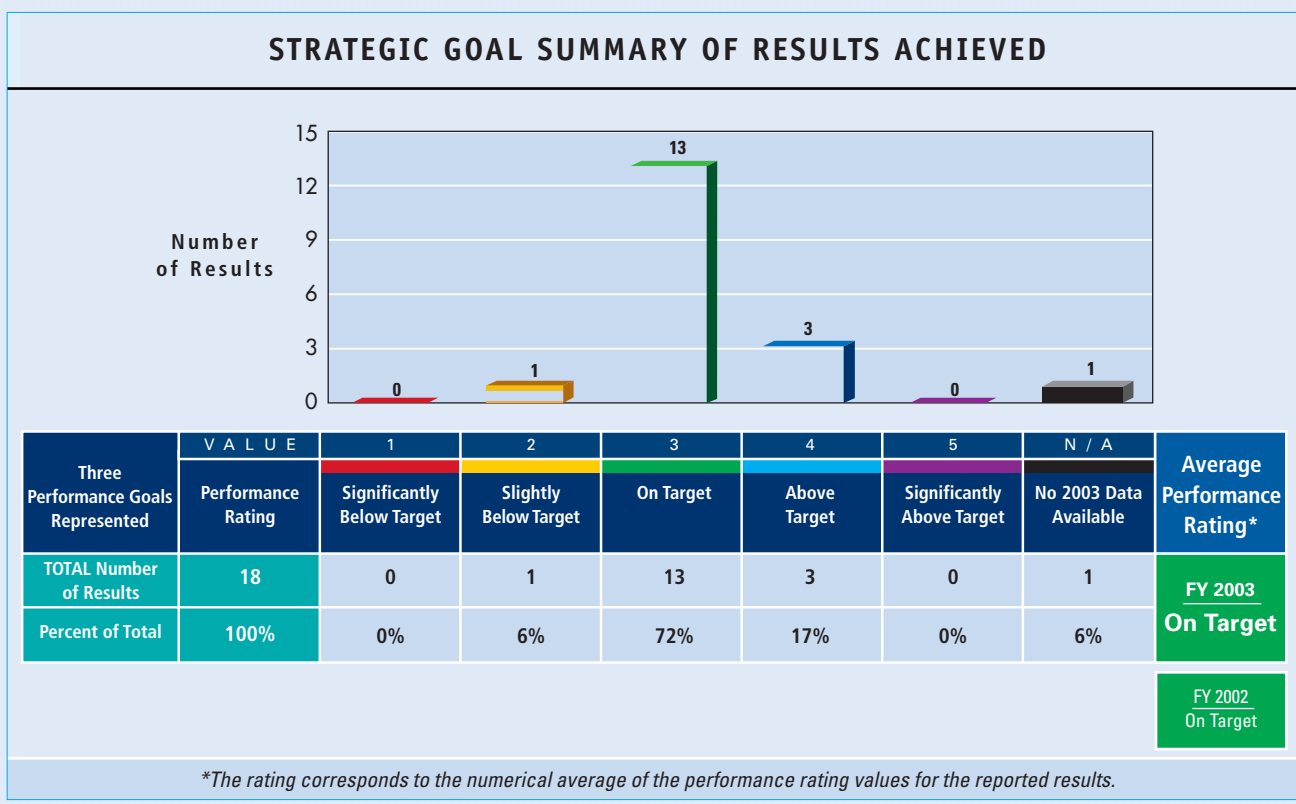| Year	Result
2001	3
2002	5
2003	6
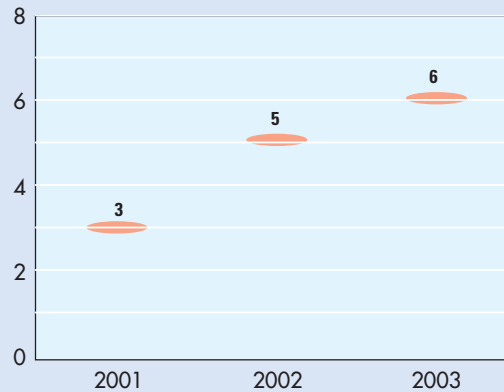
III. Strategic Context

The Social and Environmental Issues strategic goal is supported by four performance goals. Shown below are the major initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

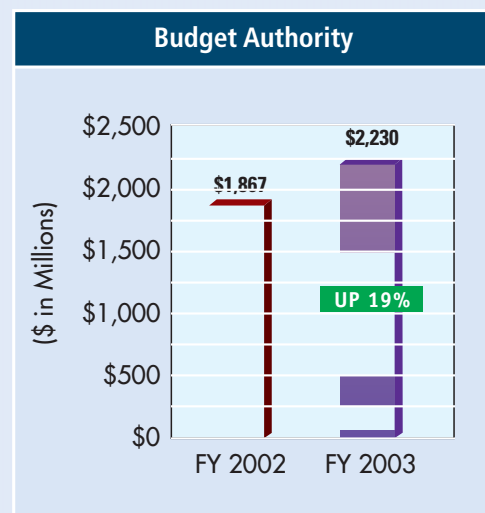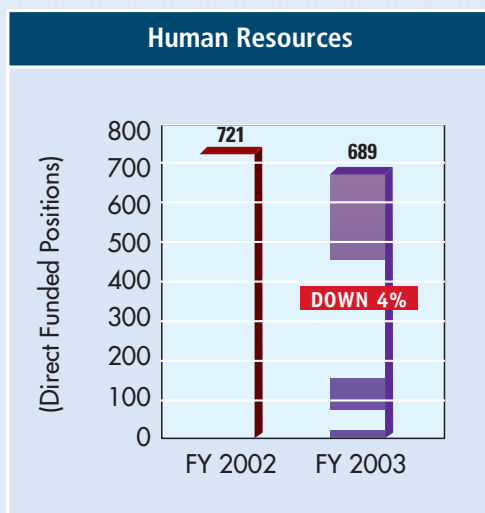| Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Social And Environmental Issues	Global Health	Global Health	Oceans and International Environmental and Scientific Affairs, International Organizations	HHS, USAID, DOD, DOL, EPA, CDC, NSC, CEQ, Commerce, UN, UNAIDS, WHO
	Environmental Protection	Sustainable Development	Oceans and International Environmental and Scientific Affairs, and International Organizations	USAID, EPA, USDA, NOAA, DOE, Smithsonian Institution, civil society and private sector organizations
		Trade and Environment	Oceans and International Environmental and Scientific Affairs	DOC National Oceanic and Atmospheric Administration, USAID, USDA, DOE, DOI USFWS, EPA, NSF, NRC, NASA, DOD, USTR, USCG, NGOs, International Organizations, and International Coral Reef Initiative Partners
		Global Climate Change and Clean Energy	Oceans and International Environmental and Scientific Affairs, and the Office of Science and Technology Advisor	DOE, EPA, CEQ, CEA, NOAA, NASA, USAID, Treasury, USDA, NSF, DOC, DOI, DOT, DOD
		Science and Technology Cooperation	Oceans and International Environmental and Scientific Affairs, and the Office of Science and Technology Advisor	USAID, USDA, DOE, DOC, DOI, EPA, NSF, NRC, NASA, DOD, USPTO, USTR
	Access to Quality Education	Accomplishment of this performance goal is the responsibility of USAID.		
	Migration Policies and Systems	At the time the Department was developing FY 2003 targets, this performance goal did not exist and no targets were developed. Therefore, for FY 2003 performance reporting purposes, no results are being reported. Targets have been developed for FY 2004 and beyond. Results will be reported in future performance reports.		

IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Social and Environmental Issues strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", unchanged from last year's "on target" rating.

STRATEGIC GOAL SUMMARY OF RESULTS ACHIEVED

Three Performance Goals Represented	VALUE Performance Rating	1 Significantly Below Target	2 Slightly Below Target	3 On Target	4 Above Target	5 Significantly Above Target	N / A No 2003 Data Available	Average Performance Rating*
TOTAL Number of Results	18	0	1	13	3	0	1	**FY 2003** **On Target**
Percent of Total	100%	0%	6%	72%	17%	0%	6%	
								FY 2002 On Target

The rating corresponds to the numerical average of the performance rating values for the reported results.

V. Resources Invested

Human Resources

(Direct Funded Positions)

FY 2002: 721
FY 2003: 689
DOWN 4%

Budget Authority

($ in Millions)

FY 2002: $1,867
FY 2003: $2,230
UP 19%

VI. Illustrative Example of a Significant Achievement

Global Fisheries

Effective multilateral conservation and management of highly migratory and straddling fish stocks requires the participation and commitment of all major distant water fishing nations and coastal states active in the fishery. Multilateral management regimes that prevent or do not include such broad participation will be unable to promote long-term sustainable conservation and management of such fisheries because any measures adopted will not have the support or buy-in of all those that harvest the resource. Furthermore, those nations that are not party to such arrangements have no binding legal obligation to implement adopted conservation and management measures. With respect to highly migratory fisheries in the Pacific, the Department led a successful 3-year international effort to work with certain Asian distant water fishing nations, within the context of an adopted fisheries management agreement, to create the conditions under which these nations could re-engage in the process and ultimately be in a position to join the management arrangement.

Fish on display in a shop in Tokyo. The World Environment Day brings Tokyo's environmental perils into the spotlight. Japan consumes 33 percent of the world's fish catch, but latest figures from the Ministry of Agriculture, Forestry and Fisheries show that the fishing haul from oceans around the country has fallen 46 percent in ten years. © AP Photo

VII. Performance Results

PERFORMANCE GOAL 1

Improved global health, including child, maternal, and reproductive health, and the reduction of abortion and disease, especially HIV/AIDS, malaria, and tuberculosis

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I/P #1: GLOBAL HEALTH		
Improve global health by fighting the global HIV/AIDS pandemic, combating other emerging diseases, and countering bioterrorism.		
INPUT INDICATOR		
Indicator #1: Status of the Global Health Security Action Group (GHSAG)		
FY RESULTS HISTORY	2000	N/A
	2001	**Baseline:** The United States, Canada, France, Germany, Italy, Japan, Mexico, and the United Kingdom agreed to cooperative efforts to counter bioterrorism.
	2002	General terms of reference for the creation of a pharmaceutical and biotech industry anti-terrorism code of conduct were developed.
FY 2003 DATA	**2003 Results**	GHSAG has formed technical working groups. In December 2002, GHSAG formed a new technical working group (TWG) on Pandemic Influenza. During the GHSAG working meeting in September 2003 in Ottawa, GHSAG members decided to add SARS to the topic of the Influenza TWG. GHSAG has tested Incident Scale. GHSAG members are prepared to submit Terms of Reference for GHSAG Ministerial Meeting in November 2003.
	Target	1. The GHSAG clarifies its mission and membership considerations. 2. The GHSAG forms technical working groups on key issues such as risk management, containment/isolation, pandemic influenza and support for a WHO smallpox vaccine reserve. 3. GHSAG develops a formalized network of laboratories to enhance cooperation and collaboration.
	Rating	🟩 On Target
	Impact	GHSAG's TWGs are operational and contributed significantly to running of international smallpox bioterrorism exercise, "Global Mercury." TWG's also made it possible for implement the following activities: ● The first ever Train-the-Trainers session on Smallpox Outbreak Containment. Pilot will be adapted for replication. ● Conducted international workshop on Isolation Techniques for Patients with Smallpox and Other Highly Contagious Viral Infections. ● Conducted workshop on Evaluation of Smallpox Detection Assays. ● Conducted workshop on Chemical Events.

I/P #1: GLOBAL HEALTH *Continued*

OUTCOME INDICATOR

Indicator #2: Countries or Regions With Stabilized or Reduced Rates of New HIV Infections

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** Uganda, Senegal, and Thailand stabilized or reduced rates of new HIV infections.
	2002	A total of five countries had stabilized or reduced rates of new HIV infections ● Uganda, Senegal, Thailand, Zambia and Cambodia.

FY 2003 DATA		
	2003 Results	Tanzania added as sixth country to have stabilized or reduced rates of new HIV infections.
	Target	A total of six countries stabilize or reduce rates of new HIV infections.
	Rating	🟩 **On Target**
	Impact	Stable or declining infection rates for HIV reduces the economic and social costs now and into the future.

OUTPUT INDICATOR

Indicator #3: Status of International Collaboration, and Partnerships to Support Health, Including the Global Fund to Fight AIDS, Tuberculosis, and Malaria

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** The level of bilateral and multilateral collaboration on global health increased significantly; UN Special General Assembly Session on HIV/AIDS; negotiations completed for the Global Fund.
	2002	The Global Fund began work; negotiations continued to put mechanisms in place that guarantee program and financial accountability, set rules for procurement, etc. The Global Fund had multi-year pledges totaling $2.1 billion, with approximately $750 million available for the year; one large contribution was from the private sector.

FY 2003 DATA		
	2003 Results	1. All but one of the first round of grant agreements has been signed. 2. Database has not been established but a survey is evaluating country level mechanisms. 3. Pledges have increased, with more-in-kind donations from both foundations and commercial enterprises.
	Target	1. Sign the first grant agreements for the Global Fund, which indicate agreement on the monitoring and evaluation framework. 2. The Global Fund database to track country-level partnerships is in place to ensure that country-level mechanisms are true public-private partnerships. 3. Funding increases, including funds from one additional foundation and one commercial enterprise.
	Rating	🟩 **On Target**
	Impact	The Global Fund is a new financing mechanism in the fight against AIDS, tuberculosis and malaria. With grants in over ninety countries, it has vastly increased the availability of funds to countries in need, so they can take appropriate actions to fight the three diseases.

I/P #1: GLOBAL HEALTH *Continued*		
INPUT INDICATOR		
Indicator #4: Number of Bilateral and Multilateral Meetings in Which the U.S. Plays a Leadership Role in Dealing with Health Issues		
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	**Baseline:** As of September, the United States participated in five UN meetings and one bilateral meeting.
FY 2003 DATA	**2003 Results**	◉ The United States participated in at least nine health-related multilateral meetings in FY 2003, (e.g., World Health Organization, Pan American Health Organization, UNAIDS, International Agency for Research on Cancer, and two meetings to negotiate the WHO Framework Convention on Tobacco Control). ◉ Bilateral meetings on health held with India, Singapore, and Vietnam.
	Target	The United States participates in UN meetings dealing with health issues and in two bilateral meetings.
	Rating	🟩 **On Target**
	Impact	◉ Active U.S. participation in multilateral and bilateral meetings protects and promotes U.S. policies and interests on health issues. ◉ Active U.S. participation is critical in UN meetings dealing with the range of public health issues, such as HIV/AIDS, Severe Acute Respiratory Syndrome (SARS), chronic non-communicable diseases, development of the Framework Convention on Tobacco Control, and other issues. ◉ Bilateral meetings contributed to a greater awareness of health issues in partner countries, and increased opportunities for partnership to counter threats such as SARS.
	Other Issues	Beginning in FY 2004, the Department will no longer report on this indicator because its validity as a measure of the Department efforts and performance in the area of global health is limited.

Members of the Ugandan Watoto Children's Choir, who are orphans of AIDS victims, perform for President Bush at the AIDS Support Organization Center (TASO) in Entebbe, Uganda. President Bush wants Uganda's journey out of the dark scourge of AIDS to serve as a model for his $15 billion global initiative to contain the pandemic.

© AP Photo/J. Scott Applewhite

I/P #1: GLOBAL HEALTH *Continued*

INPUT INDICATOR

Indicator #5: Department-Wide Awareness of Global Health Issues and USG Policy

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	**Baseline:** Briefings for ambassadors and other USG personnel on health issues and USG policy.

FY 2003 DATA		
	2003 Results	Four regional U.S. chiefs of mission conferences on HIV/AIDS held in 2003 in Bangkok, Kiev, Moscow, and Port-of-Spain. Meetings included USG personnel from all relevant agencies, both from Washington and field offices. Briefings on health issues at meetings of regional Environment, Science, Technology and Health officers in Europe, Latin America, and Asia.
	Target	Briefings for ambassadors and other USG personnel on health issues and USG policy.
	Rating	◼ **Above Target**
	Impact	The meetings allowed Ambassadors and USAID mission directors, among others, to share lessons learned, and do regional action planning. Concrete results have included opinion editorials in the local press, improved programs for Embassy personnel, and ability to help host governments make grant applications and increase their efforts on AIDS.
	Other Issues	Beginning in FY 2004, the Department will no longer report on this indicator because its validity as a measure of the Department efforts and performance in the area of global health is limited.

OUTCOME INDICATOR

Indicator #6: Status of Maternal Mortality Rate

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	N/A

FY 2003 DATA		
	2003 Results	N/A: No result to report, as the Department did no work in relation to this target in FY 2003.
	Target	Five countries decrease maternal mortality rate by at least 2 percent.
	Rating	◼ N/A
	Impact	N/A
	Other Issues	This indicator is not an appropriate measure of the Department's international population activities. The Department does not fund programs directly affecting maternal mortality. USAID does support programs directly affecting maternal mortality, and tracks related indicators. Performance planning and reporting on U.S. international population policy will be further coordinated through the joint State-USAID Strategic Plan for FY 2004-2009.

I/P #1: GLOBAL HEALTH *Continued*

INPUT INDICATOR

Indicator #7: Number of UN Population Fund (UNFPA) Field Monitoring Trips Conducted

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	**Baseline:** One independent Department team visited China to assess the UNFPA program there.

FY 2003 DATA		
	2003 Results	Department special teams conducted two monitoring trips to China, a UNFPA program country, in FY 2003.
	Target	Make three monitoring trips to UNFPA program countries.
	Rating	🟨 **Slightly Below Target**
	Impact	Monitoring trips provided USG with first hand information on the implementation of Chinese population policies. Along with concurrent bilateral talks, the trips served to build trust between USG and Chinese population officials. In a year, the Chinese government has eliminated some coercive measures in some areas of the country.
	Other Issues	Beginning in FY 2004, the Department will no longer report on this indicator because it does not effectively measure the Department's efforts and performance in the area of global health.

OUTPUT INDICATOR

Indicator 8: Status of World Health Organization (WHO) International Health Regulations (IHR)

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** World Health Assembly linked IHR revision process to global health security and bioterrorism.
	2002	WHO continued consultation and elaboration of approach and gaining international consensus.

FY 2003 DATA		
	2003 Results	◉ WHO strengthened its activities related to global and national-level disease surveillance and undertook major efforts with governments in limiting and controlling SARS. ◉ Work continues on revising the WHO International Health Regulations with the target for adoption in 2005 of revised regulations.
	Target	Work also continues to ensure surveillance and reporting on man-made as well as natural disease outbreaks.
	Rating	🟩 **On Target**
	Impact	WHO actions contributed to an unprecedented global effort against Severe Acute Respiratory Syndrome (SARS). Countries became more aware of the need to report outbreaks and to request international help, when necessary, in containing infectious disease outbreaks, whether natural or man-made.

Child laborers search for recyclable materials at the La Chureca garbage dump in Managua, Nicaragua. The children earn an average of $2 a day by selling paper and glass for recycling. Working in this unhealthy environment has caused many health problems such as parasites, lead poisoning, skin diseases, and respiratory problems. © AP Photo/Esteban Felix

I/P #1: GLOBAL HEALTH *Continued*

OUTPUT INDICATOR

Indicator #9: Countries With Smallpox Vaccine and Drug Stockpiles

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	N/A

FY 2003 DATA		
	2003 Results	**Baseline:** Several countries now reporting development or expansion of national smallpox vaccine stockpiles. ● In March 2003, Germany reported a build-up of their smallpox vaccine stockpile. As of March 2003, Germany had amassed 64 million doses, with a target of an eventual 100 million doses. This stockpile will also include Vaccinia Immune Globulin (VIG) and antiviral medications. ● Italy also reported plans to increase their national stockpile of smallpox vaccine. ● Japan has 2.5 million doses stockpiled of an attenuated vaccine (LC16M8), with plans for further procurement.
	Target	Two countries agree to establish stockpiles.
	Rating	🟩 **On Target**
	Impact	1. As a result, these countries have greater resources for protection against smallpox outbreak. Increased stockpiles decreases dependence on WHO reserve and provides for potential to assist other nations in case of an outbreak worldwide. 2. In addition, several countries are already moving forward with financial contributions to the WHO existing smallpox reserve.

PERFORMANCE GOAL 2

Partnerships, initiatives, and implemented international treaties and agreements that protect the environment and promote efficient energy use and resource management

I/P #2: SUSTAINABLE DEVELOPMENT		
Develop, negotiate, and implement initiatives, treaties, and agreements to better protect both living and noniiving marine resources and promote sustainabie deveiopment.		
OUTPUT INDICATOR		
Indicator #1: Partnerships to Build Capacity and Promote Sustainable Development, Protect Marine Resources and Terrestrial Ecosystems		
FY RESULTS HISTORY	2000	N/A
	2001	**Baseline:** The UN Food and Agriculture Organization (FAO) activities were often limited to pelagic fisheries. The World Bank Fund for Sustainable Fisheries established with a donation from Japan. The World Bank undertook work on new environmental policy paper for forest sector projects.
	2002	Consultations with other States Parties to the UN Fish Stocks Agreement (UNFSA) to promote its effective implementation, particularly cooperation with developing states. The UN General Assembly and States Parties to the UNFSA agreed in principle to establish a voluntary trust fund to implement the UNFSA. A rebuilding plan of the International Commission for the Conservation of Atlantic Tunas, (ICCAT) contributed to recovery of the North Atlantic swordfish. APEC workshop on shark conservation and management was held to build capacity to implement FAO International Plan of Action (IPOA). A regional fisheries management organization adopted the first limitations on fishing capacity. The Southern Ocean Albatross and Petrel Agreement entered into force. Further progress was made toward establishing a regime to conserve and manage highly migratory fish stocks in the central and western Pacific. The Department raised U.S. concerns with EU fisheries policies at a high level and in multilateral fora, and continued to work with EU counterparts as the Common Fisheries Policy (CFP) was finalized.
FY 2003 DATA	**2003 Results**	**Results Set #1** ◉ The UN Fish Stocks Agreement has 36 parties. ◉ Japan rejoins negotiations on highly migratory fish stocks in the central and western Pacific. ◉ The Polar Bear Treaty and amendments to the U.S.-Canada Albacore Treaty and the eastern Pacific tuna convention are submitted to Congress for advice and consent to ratification. Senate consents to ratify amended South Pacific Tuna Access Treaty. Protocol Concerning Specially Protected Areas and Wildlife in the Wider Caribbean Marine Environment (SPAW Protocol) is ratified. ◉ Three new States become Party to the Inter-American Sea Turtle Convention. U.S. tightens domestic fisheries rules relating to sea turtles; pushes for comparable changes by foreign governments. ◉ Three new marine species are listed under the Convention on International Trade in Endangered Species of Fauna and Flora (CITES). CITES rejected proposals to relax restrictions on whale and other marine species. International Whaling Commission (IWC) renewed bowhead whale quota. ◉ FAO adopts strategy for improving data collection and reporting in fisheries, and work plan on eco-labeling and other non-tariff trade measures. World Bank initiates projects with targeted sustainable fisheries components in developing countries. **Results Set #2** ◉ The Global Environment Facility (GEF) adopted strong environmental performance measures and established an independent monitoring unit. Over $600 million was made available for project funding in FY 2003.

I/P #2: SUSTAINABLE DEVELOPMENT *Continued*

OUTPUT INDICATOR *Continued*

Indicator #1: Partnerships to Build Capacity and Promote Sustainable Development, Protect Marine Resources and Terrestrial Ecosystems *Continued*

FY 2003 DATA

2003 Results

Result Set #3

- Department launches the President's Initiative Against Illegal Logging (PIAIL); and signs Tropical Forest Conservation agreement (TFCA) with Panama. Eleven major landscapes designated for protection pursuant to the Congo Basin Forest Partnership (CBFP). The 12-country Montreal Process report on the State of Forests is released.
- The Western Hemisphere Migratory Bird Conference generated support to develop a hemispheric strategy for conservation of migratory species.
- Senior Officials of the Asia-Pacific Economic Cooperation Forum (APEC) agree to support workshop on invasive species – to be hosted by China in 2004.
- International Coral Reef Initiative (ICRI) workshop supported development of a best practices guide to coral reef assessment and management.

Result Set #4

- UN Commission on Sustainable Development (CSD) adopts reforms to focus on implementation in priority sectors, specifically water, sanitation, and human settlements in 2004-2005 and energy-related issues in 2005-2006.
- The Water for the Poor Initiative, launched at the World Summit on Sustainable Development (WSSD), improved water and/or sanitation services for more than 16 million people. The Global Village Energy Partnership to improve access to energy in developing countries grew from 70 to 246 government, civil society and international organization partners.
- Shenyang, China legislature considers landmark legislation on environmental public participation and information, access, and Thailand launches wildlife enforcement initiative, recovering more than 33,000 animals, after Department-sponsored capacity-building efforts.
- White Water to Blue Water Initiative (announced at the World Summit on Sustainable Development) includes a focus on domestic good governance practices for integrated management of fresh water and marine resources in the wider Caribbean region.

A three-month old green turtle swims through a reflection in a pool at the Royal Thai Navy's Sea Turtle Conservation Center, where young green and hawksbill turtles are nurtured and then released into the Gulf of Thailand in a navy-run program to increase the endangered marine animal numbers in the wild, at Sattahip, Thailand.
© AP Photo/Barbara Walton

I/P #2: SUSTAINABLE DEVELOPMENT *Continued*

OUTPUT INDICATOR *Continued*

Indicator #1: Partnerships to Build Capacity and Promote Sustainable Development, Protect Marine Resources and Terrestrial Ecosystems *Continued*

FY 2003 DATA		
Target	**Target Set #1:** Increase contributions to the World Bank Fund for Sustainable Fisheries by $2 million. Increase contributions to FAO Fisheries Code of Conduct. **Target Set #2:** GEF institutes environmental performance measures and established an independent monitoring unit. Approximately $600 million is available for project funding through GEF. **Target Set #3:** Launch partnershps, agreements, and implementation efforts to protect forests, migratory birds, coral reefs and other exosystems. **Target Set #4:** Key institutions and processes highlight energy, water, and domestic good governance issues and adopt approaches that support the implementation of sustainable development projects.	
Rating	■ **Results Set #1: On Target** ■ **Results Set #2: Above Target** ■ **Results Set #3: On Target** ■ **Results Set #4: On Target**	
Impact	**Results Set #1:** The U.S. maintained its leadership role in promoting and implementing policies to achieve sustainable fisheries, including addressing the impacts of fishing activities on the marine ecosystem, in multilateral, regional, and bilateral fora. **Results Set #2:** GEF projects and operations will help achieve U.S. global environmental priorities, in particular promoting sustainable forest management, energy efficiency, and minimization of toxic releases. **Results Set #3:** CBFP, PIAIL, and TFCA efforts promote conservation of forests, while Montreal Process report serves as model for determining forest conservation progress. Western Hemisphere migratory bird strategy negotiations, ICRI workshop, and APEC actions represent growing international commitment and cooperation to conserve migratory birds, coral reefs, and address the economic and ecological threat of invasive alien species. **Results Set #4:** Results signify growing international consensus and action to focus on implementation of sustainable development through partnerships and through building domestic good governance in the environmental sector.	
Other Issues	Beginning in FY 2004, the Department will no longer report on Target Set #1 because its validity as an accurate measure of Department efforts and performance in the area of oceans and fisheries is limited. The information contained in this year's report includes information relevant to the Department's efforts and performance in the area of oceans and fisheries which goes beyond the results specific to this Target Set. Likewise, Targets 3 and 4 are added to more fully capture the Department's performance on ecosystem protection and sustainable development.	

I/P #3: TRADE AND ENVIRONMENT

OUTPUT INDICATOR

Indicator #2: Status of Trade Agreements or Guidelines That Minimize Environmental Harm

<table>
<tr><td rowspan="4">FY RESULTS HISTORY</td><td>2000</td><td>N/A</td></tr>
<tr><td>2001</td><td>Baseline:
● Free Trade Agreement (FTA) negotiations with Singapore and Chile are launched.
● The WTO agreed to negotiate trade and environment issues within the Doha Round.</td></tr>
<tr><td>2002</td><td>● Negotiations were ongoing for four bilateral FTAs.
● The Trade Act of 2002 authorized the President to negotiate trade agreements subject to an up-or-down vote in Congress.
● Free Trade Agreement of the Americas (FTAA) negotiators agreed at the Quito Ministerial to language in the declaration that included protecting the environmental as an FTAA goal.</td></tr>
<tr><td rowspan="5">FY 2003 DATA</td></tr>
<tr><td>2003 Results</td><td>1. Free Trade Agreements (FTAs) with Singapore and Chile are completed that have satisfactory environmental provisions.
2. OECD members agree to undertake formal discussions of environmental standards.
3. Discussions with Jordan expected early in new fiscal year. Substantial progress made on U.S.-Morocco workplan for environmental cooperation.</td></tr>
<tr><td>Target</td><td>1. FTAs with Singapore and Chile are completed that have satisfactory environmental provisions.
2. OECD members agree to undertake formal discussions of environmental standards.
3. U.S.-Jordan Environmental Forum agrees on workplan for environmental cooperation.</td></tr>
<tr><td>Rating</td><td>1. ■ On Target
2. ■ On Target
3. ■ On Target</td></tr>
<tr><td>Impact</td><td>The U.S. has established a strong precedent for developing free trade regimes and promoting financial practices that are supportive of high levels of environmental protection. For example,
● Following negotiation of the FTA the government of Singapore has shown an increased interest in controlling illegal trade in endangered species, a major environmental priority. Seizures of illegal goods have been made, and for the first time a Singaporean official attended a regional seminar on the subject offered by the United States.
● In Chile, as called for in the Environment Chapter of the FTA, implementation has begun on the Pollutant Release and Transfer Register (PRTR).</td></tr>
</table>

I/P #4: GLOBAL CLIMATE CHANGE AND CLEAN ENERGY

Implement the President's new approach to climate change and energy technologies.

OUTPUT INDICATOR

Indicator #3: Status of Bilateral, Regional, and Global Climate Change Partnerships and Initiatives[1]

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** New partnerships announced with Japan, EU, Central American countries, and Italy to initiate the President's directive to engage internationally toward more effective global effort to address climate change.
	2002	1. New partnerships announced or initiated with Australia, Canada, the EU, India, South Korea, and China. 2. Implementation of partnerships with Japan, Central American countries, Italy, and Australia. 3. Key working groups were established and specific projects and project-related activities agreed to and begun.

FY 2003 DATA		
	2003 Results	Initiated partnerships with New Zealand, Russia, Mexico, and South Africa, and continued exploratory discussions with Kazakhstan and Brazil. Advanced a range of cooperative activities with Australia, Canada, Central American countries, China, the EU, India, Italy and Japan. Results were consistent with 2002 timelines, and existing partnerships were reviewed.
	Target	1. Establish and begin implementing new partnerships with additional countries including Russia, Kazakhstan, South Korea, Brazil, Mexico, and the United Kingdom. Identify key outcomes and deliverables, with associated timelines. Begin detailed implementation of partnerships with Australia, Canada, the EU, India, and China. 2. For existing partnerships, the Department will meet timelines for deliverables established in 2002. Complete reviews of existing partnerships will take place.
	Rating	🟩 **On Target**
	Impact	Specific project-based activities in the areas of climate science and clean energy technologies have identified lower-carbon technologies and are charting means for their cost-effective dissemination. These activities demonstrate to the world, especially developing countries, a better way to develop economically while protecting the environment.

[1]Climate change partnerships defined as officially established bilateral relationships on climate change.

		**I/P #5: SCIENCE AND TECHNOLOGY COOPERATION**

Negotiation and implementation of bilateral/ multilateral science and technology agreements and partnerships promoting sound science and technological advance as a foundation of sustainable development and environmental stewardship.

INPUT INDICATOR
Indicator #4: Status of Science and Technology (S&T) Agreements

FY RESULTS HISTORY	2000	N/A
	2001	**Baseline:** Policy review was concluded of the S&T activities under the U.S.-Russia S&T agreement.
	2002	Policy review was conducted of the S&T activities under the U.S.-China S&T agreement.

FY 2003 DATA	**2003 Results**	◎ Established new S&T agreements in Bangladesh, Pakistan, and the Philippines.
		◎ Renewed Ukraine S&T Agreement for one year to allow time to negotiate a new five-year agreement.
		◎ Conducted S&T assessments of Maghreb (Morocco, Algeria, and Tunisia).
		◎ Initiated S&T dialogue with Baltic States (Estonia, Latvia, and Lithuania), Kazakhstan, Norway, and Switzerland.
		◎ Expanded S&T relationships under existing agreements with Italy, Japan, South Korea, and Vietnam by adding new topics and partnerships.
		◎ Achieved record levels for Embassy Science Fellows Program.
		◎ Agreements with several additional states stalled due to lengthy negotiation over intellectual property rights (IPR) negotiations, liability, and taxation issues.
	Target	Establish, renegotiate, as necessary, and implement S&T agreements that forge partnerships between USG agencies, foreign counterparts, public and private research institutions, and industry.
	Rating	▮ **Above Target**
	Impact	New agreement with Pakistan included an expanded relationship with USAID in science cooperation, and set the stage for a re-engagement with India on science. Maghreb S&T assessment set stage for establishing long-term relationship and regional cooperation. S&T relationship with South Korea moved into new advanced technology areas, befitting of that country's economic and scientific transition. S&T program with Vietnam incorporated important NGO components. Renewed S&T relationship with Italy included new focus on use of Geographic Information Systems in Ethiopia. Over 50 Embassy Science Fellows placed overseas, which brought science diplomacy to record levels.

PERFORMANCE GOAL 3

Broader access to quality education with emphasis on primary school completion (USAID Goal)

The Agency for International Development is reporting results for this goal.

PERFORMANCE GOAL 4

Effective and humane migration policies and systems

At the time the Department was developing FY 2003 targets, this performance goal did not exist and therefore no targets were developed. For FY 2003 performance reporting purposes, no results are being reported. Targets have been developed for FY 2004 and beyond, and results will be reported in future performance reports.

STRATEGIC OBJECTIVE #2:
ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS

STRATEGIC GOAL 10: HUMANITARIAN RESPONSE

Minimize the Human Costs of Displacement, Conflicts, and Natural Disasters

I. Public Benefit

The U.S. commitment to humanitarian response demonstrates America's compassion for victims of armed conflict, forced migration, human rights violations, widespread health and food insecurity, and other threats. The strength of this commitment derives from both our common humanity and our responsibility as a global leader. When responding to natural and human-made disasters, the United States complements efforts to promote democracy and human rights. In addition to saving lives and alleviating human suffering, humanitarian programs support the objectives of the U.S. National Security Strategy by addressing crises with potential regional (or even global) implications, fostering peace and stability, and promoting sustainable development and infrastructure revitalization.
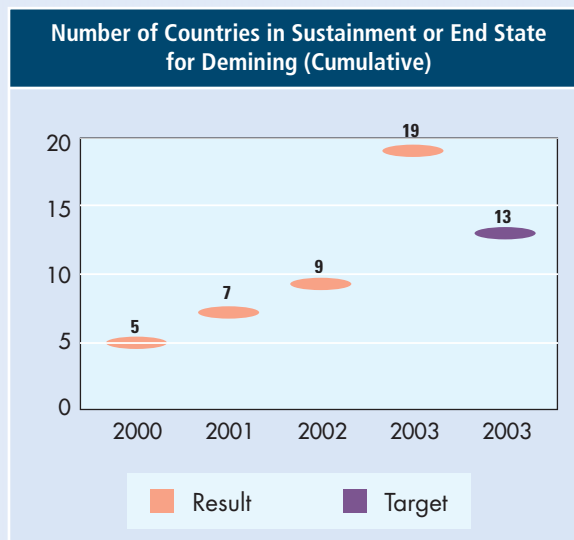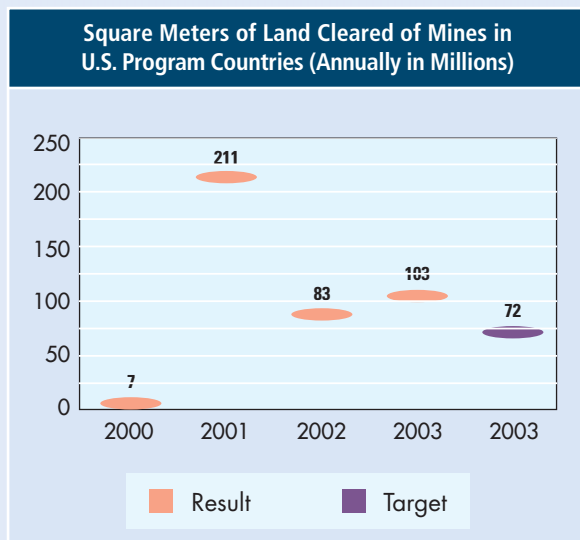
The Department is a leader in international efforts to prevent and respond to humanitarian crises. It provides substantial resources and guidance through international and nongovernmental organizations (NGOs) for worldwide humanitarian programs, with the objective of increasing access to protection, promoting burden-sharing, and coordinating funding and implementation strategies. The Department urges and participates in multilateral responses to humanitarian crises, and regularly monitors and evaluates humanitarian programs to ensure that the needs of refugees, internally displaced persons (IDPs), and other conflict victims are met. The Department's financial support for demining activities makes areas safe for the return of refugees and IDPs. Its management and support of overseas refugee admissions programs provides an important durable solution for refugees, and serves as a leading model for other resettlement countries.

People clear the debris of the April 2, 2003 landslide that killed 14 people in the gold mining town of Chima, Bolivia. The Department contributed emergency relief supplies including clean drinking water and temporary shelters.
© AP Photo

II. Selected Performance Trends

Square Meters of Land Cleared of Mines in U.S. Program Countries (Annually in Millions)

Year	Value
2000	7 (Result)
2001	211 (Result)
2002	83 (Result)
2003	103 (Result)
2003	72 (Target)

Legend: ■ Result ■ Target

Number of Countries in Sustainment or End State for Demining (Cumulative)

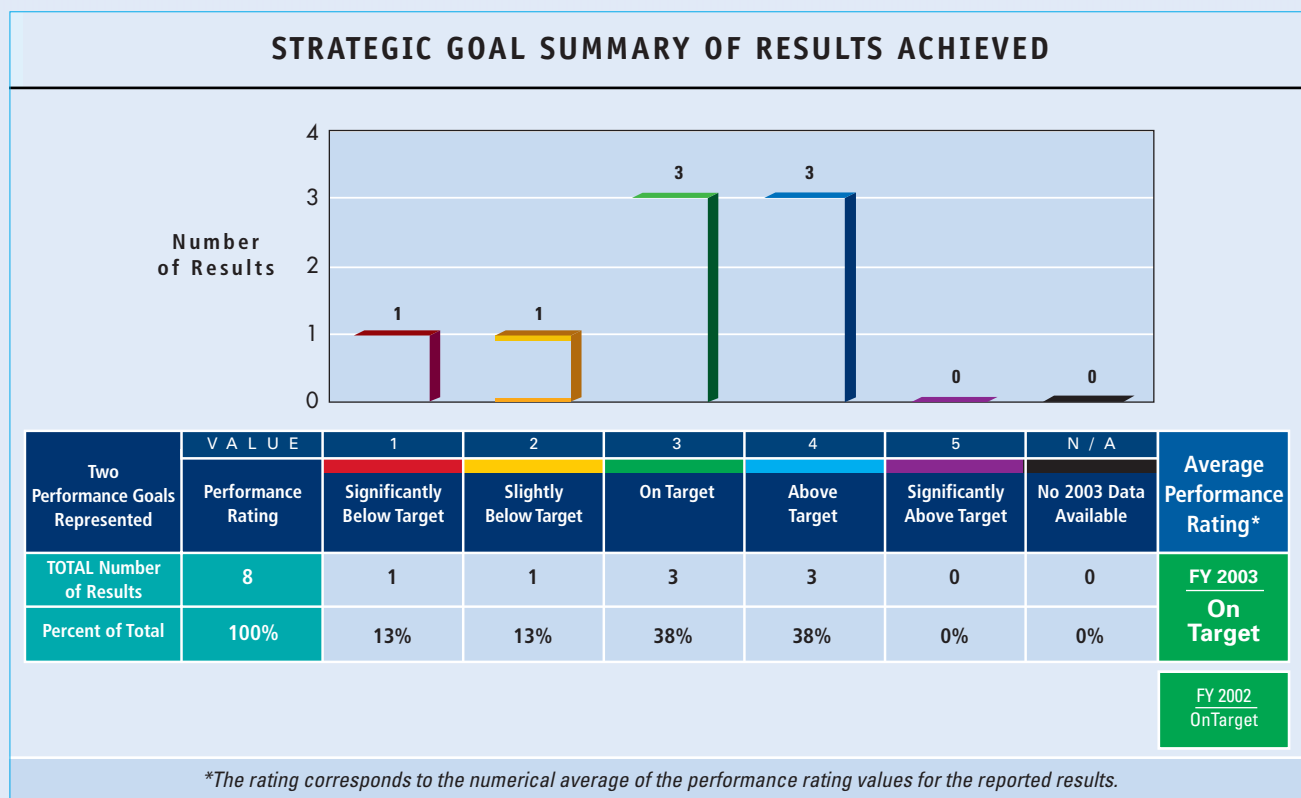| Year	Value
2000	5 (Result)
2001	7 (Result)
2002	9 (Result)
2003	19 (Result)
2003	13 (Target)

Legend: ■ Result ■ Target

III. Strategic Context

The Humanitarian Response strategic goal is supported by two performance goals. Shown below are the major initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

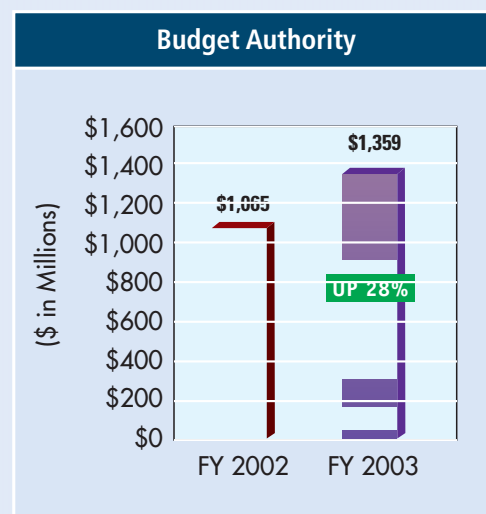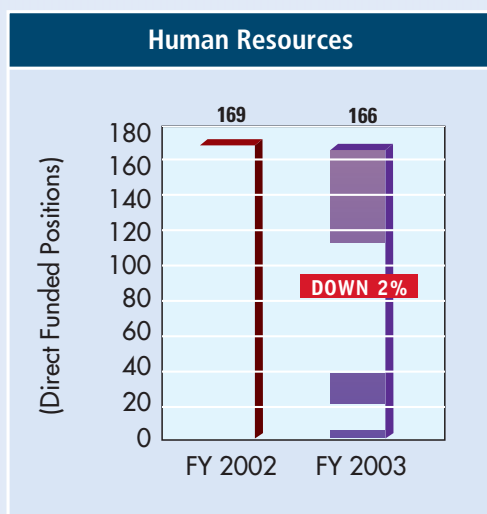| Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Humanitarian Response	Assistance for Refugees and Other Victims	Refugee Assistance	Population, Refugees and Migration	UNHCR, UNRWA, ICRC, IOM, other international and nongovernmental organizations, USAID
		Refugee Admissions to the United States	Population, Refugees and Migration	DHS, HHS, UNHCR, IOM, NGOs
		Humanitarian Demining	Political-Military Affairs	USAID, DoD, NGOs
		World Food Program Donor Base	International Organizations, Population, Refugees and Migration	USAID, WFP, other WFP donors
	Disaster Prevention and Response	Global Disaster Information Network	International Organizations	USAID, NOAA, FEMA, other USG agencies, United Nations organizations, NGOs, media, universities, local governments, private industry

IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Humanitarian Response strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", unchanged from last year's "on target" rating.

STRATEGIC GOAL SUMMARY OF RESULTS ACHIEVED

Number of Results

Two Performance Goals Represented	VALUE Performance Rating	1 Significantly Below Target	2 Slightly Below Target	3 On Target	4 Above Target	5 Significantly Above Target	N / A No 2003 Data Available	Average Performance Rating*
TOTAL Number of Results	8	1	1	3	3	0	0	FY 2003 **On Target**
Percent of Total	100%	13%	13%	38%	38%	0%	0%	
								FY 2002 OnTarget

*The rating corresponds to the numerical average of the performance rating values for the reported results.

V. Resources Invested

Human Resources

(Direct Funded Positions)

169   166

DOWN 2%

FY 2002   FY 2003

Budget Authority

($ in Millions)

$1,359

$1,065

UP 28%

FY 2002   FY 2003

VI. Illustrative Example of a Significant Achievement

Humanitarian Demining

In FY 2003, more than 30 mine-affected countries in the U.S. Humanitarian Demining Program benefited from the clearance of land suitable for agriculture, pastoral use, and as potential for restoring economic infrastructure. These countries also witnessed the safe return of tens of thousands of refugees and internally displaced persons, who were able to travel on formerly mine-affected roads. Finally, several countries achieved Sustainment status – the ability to implement and manage their own humanitarian demining program – while others were able to declare themselves mine-safe.

Tamil deminers work to secure clearing mines in the Tamil Tiger stronghold of KIlinochi, Sri Lanka. After years of war, Tiger country has little except bombed-out towns, poverty and hidden land mines.
© AP Photo/Elizabeth Dalziel

VII. Performance Results

PERFORMANCE GOAL 1

Effective protection, assistance, and durable solutions for refugees, internally displaced persons, and conflict victims

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I/P #1: REFUGEE ASSISTANCE

Address the humanitarian needs of refugees, victims of conflict, and internally displaced persons.

		OUTCOME INDICATOR
		Indicator #1: Crude Mortality Rates (CMR)
FY RESULTS HISTORY	2000	No reports of excessive mortality rates based on set criteria.
	2001	Refugee crises did not exceed a CMR of 1/10,000 people/day. Links established between the Bureau of Population, Refugees and Migration (PRM) and USAID to strengthen data collection.
	2002	Where data were available, refugee crises did not exceed a CMR of 1/10,000 people/day for an extended period. PRM and USAID developed tools to measure and track CMR and the nutritional status of children under 5 years of age. A training workshop for practitioners was held in July.
FY 2003 DATA	**2003 Results**	1. Where data was available, crude mortality rates did not exceed 1/10,000 people per day in refugee crises. 2. Efforts to expand pilot data collection have been delayed; PRM implementing partner was behind schedule and did not reach the pilot stage of the project, but finalized guidelines and methodology for CMR surveys.
	Target	1. Refugee crises do not exceed a CMR of 1/10,000 people per day. 2. Expand pilot data collection to other countries.
	Rating	🟩 **On Target**
	Impact	Lives of refugees were saved; humanitarian interventions prevented excess mortality. Guidelines and methodology were finalized to provide tools for improved data collection and reporting on CMR and child nutritional status.

An official at the International Organization of Migration (IOM) offices in Nairobi gives lessons to some Sudanese refugees after they arrived from Kakuma refugee camp, Kenya. The first group of 74 Somali Bantus and 20 Sudanese will leave for the United States after a 10-day cultural orientation course for all those approved for resettlement. The lessons include U.S. laws, employment, housing, cultural adjustment and day to day modern life. Between 8,000 and 12,000 Somali Bantu have been approved by the U.S. State Department to resettle in about 50 U.S. cities. © AP Photo/Khalil Senosi

I/P #1: REFUGEE ASSISTANCE *Continued*

OUTCOME INDICATOR

Indicator #2: Nutritional Status of Refugee Children Under 5 Years of Age

FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	N/A

FY 2003 DATA	2003 Results	**Baseline:** In humanitarian crises where Department funds were provided, at least 90% of children under five had weight-for-height ratios that were greater than or equal to 2 standard deviations below the mean (Z score of greater than or equal to –2), or greater than 80 percent median weight-for-height, and an absence of nutritional edema. Kakuma refugee camp in Kenya is one exception where slightly less than 90% of children under five had weight-for-height ratios that were greater than or equal to 2 standard deviations below the mean (Z score of greater than or equal to –2), or greater than 80 percent median weight-for-height, and an absence of nutritional edema. An anthropometric survey of Kakuma camp by the International Rescue Committee in January 2003 found that 12.5 percent of Somali Bantu children and 14.3 percent of other children under five suffered from acute malnutrition. PRM and USAID continued to support the development of tools and measures to improve data collection and reporting on nutritional status.
	Target	◉ In humanitarian crises, 90% of children under five have weight-for-height ratios that are greater than or equal to 2 standard deviations below the mean (Z score of greater than or equal to -2), or greater than 80 percent median weight-for-height, and an absence of nutritional edema. ◉ Improve and expand data collection and reporting.
	Rating	🟩 **On Target**
	Impact	Children caught up in humanitarian crises did not experience acute malnutrition (wasting) and were therefore at lower risk of death.

A nomadic boy waits for his turn to receive the ration of vegetable oil at a site of the project called "Emergency Food Assistance for Nomadic Families" funded by the World Food Program (WFP) in Kandahar, Afghanistan. About 1,224 nomadic families from Southern Afghanistan migrated to Kandahar due to seven years of drought. Each family collects 100 kilograms (about 22 pounds) of wheat, 25 kilograms (about 5.5 pounds) of lentils and 9 kilograms (about 20 pounds) of vegetable oil every two months.
© AP Photo/Eugene Hoshiko

I/P #2: REFUGEE ADMISSIONS TO THE U.S.

Resettled refugees are received and initially assisted in appropriate ways, so that they can begin the process of becoming self-sufficient, fully integrated members of U.S. society.

OUTCOME INDICATOR

Indicator #3: Refugees Resettled in the U.S. as a Percentage of the Allocated Ceiling

(The ceiling is established by Presidential determination each year through consultations with voluntary agencies, Congress, the Immigration and Naturalization Service, and the Department of Health and Human Services.)

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** As a percentage of the established ceiling, 87 percent of refugees were resettled.
	2002	Out of a ceiling of 70,000 refugees, 27,113 (or 39 percent) were resettled. This number was significantly affected by developments following the events of 9/11.

FY 2003 DATA		
	2003 Results	Out of an allocated ceiling of 70,000 refugees, 28,421 (or 41 percent) were resettled.
	Target	100%
	Rating	🟥 **Significantly Below Target**
	Impact	Many refugees not resettled in the U.S. continue to seek durable solutions to their plight. The U.S. Refugee Program encourages other countries to develop or expand programs to enhance resettlement as a durable solution for refugees.
	Other Issues	Refugee admissions to the U.S. continue to be affected by developments related to the events of September 11, 2001. Performance was contingent upon a number of external factors, such as unanticipated refugee approval rates, security constraints on processing overseas, and the capacity to expeditiously process security checks in coordination with other agencies. The Department is making significant efforts to improve performance, by: ◉ Identifying new populations in need of resettlement; ◉ Providing appropriate resources to UNHCR to develop resettlement referrals; ◉ Training Non Governmental Organizations (NGOs) to identify refugees for resettlement; and ◉ Expediting the transmission of Security Advisory Opinions for resettlement applicants.

I/P #3: HUMANITARIAN DEMINING

Humanitarian Mine Action (HMA) reduces casualties, allows refugees and IDPs to return in safety, and allows for the delivery of humanitarian assistance, food, and medical services.

OUTCOME INDICATOR

Indicator #4: Percentage Point Change in Reported Landmine Casualties in U.S. Program Countries[1]

FY RESULTS HISTORY		
2000	5%	
2001	10%	
2002	6%	

FY 2003 DATA		
2003 Results	6%	
Target	5%	
Rating	◼ Above Target	
Impact	The lives saved and injuries prevented aid families to be economically self-sufficient, able to work, tend crops, and care for children, contributing in general to well-being of society.	

OUTPUT INDICATOR

Indicator #5: Square meters of Land Cleared of Mines in U.S. Program Countries

FY RESULTS HISTORY		
2000	7,000,000 m^2	
2001	211,000,000 m^2	
2002	82,500,000 m^2	

FY 2003 DATA		
2003 Results	103,319,920 m^2	
Target	72,000,000 m^2	
Rating	◼ Above Target	
Impact	Thousands of refugees and internally displaced persons were able to return to their homes. Farmland and other areas needed for infrastructure were reclaimed for post-conflict economic recovery.	

[1] Results are calculated on an annual, not fiscal, year basis.

Southern Missouri State University students observe demining demonstration at Ft. Leonard Wood, Missouri.   © AP Photo

I/P #3: HUMANITARIAN DEMINING *Continued*

OUTCOME INDICATOR

Indicator #6: Number of U.S. Program Countries in Sustainment or End State (Cumulative)

FY RESULTS HISTORY		
	2000	5
	2001	7
	2002	9

FY 2003 DATA		
	2003 Results	19
	Target	13
	Rating	■ Above Target
	Impact	New country programs were added at significant funding levels for FY 2004 and funding for existing programs in severely impacted countries was increased, speeding progress to end-state.

I/P #4: WORLD FOOD PROGRAM DONOR BASE

Coordinate humanitarian assistance and head off actions contrary to U.S. foreign policy objectives.

OUTPUT INDICATOR

Indicator #7: Percentage of Non-U.S. Donors to the World Food Program (WFP)

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	**Baseline:** Of a total of $1.8 billion, U.S. contributions were 52 percent and non-U.S. contributions were 48 percent.

FY 2003 DATA		
	2003 Results	1. As of September 22, 2003, WFP had nine new donors. "New donors" are defined as those that did not contribute in either 2002 or 2001. They are: Cameroon, El Salvador, Greece, Kuwait, Malta, Marshall Islands, Qatar, Russia, and Vietnam. 2. As of September 22, 2003, non-USG contributions to WFP totaled $877 million, compared to $871 million as of December 31, 2002, an increase of 0.7 percent (short of the 4 percent target). By December 31, 2003, the percentage increase will likely be greater.
	Target	1. Increase the number of donors to WFP by four. 2. Increase non-U.S. contributions by 4 percent over CY 2002.
	Rating	■ On Target ● Although the number of new donors was more than double the targeted number (see target/result #1), the percentage of non-USG dollar value contributions was lower than expected. (see Target/Result #2)
	Impact	It is important to attract new donors to WFP to increase worldwide interest in and commitment to international humanitarian assistance. For example, Russia, a new donor, provided $10 million worth of food aid to WFP for North Korea, and $1 million for Angola.

PERFORMANCE GOAL 2

Improved capacity of host countries and the international community to reduce vulnerabilities to disasters and anticipate and respond to humanitarian emergencies

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I/P #5: Global Disaster Information Network		
OUTPUT INDICATOR		
Indicator #1: Status of Global Disaster Information Network (GDIN)		

FY RESULTS HISTORY	2000	Partners reported that GDIN products and services were timely and valuable tools worth further investment.
	2001	Attempts were made to obtain information-sharing agreements among data-sharing partners.
	2002	The GDIN community agreed on a new approach to set up five specific services in the 2002-2004 time frame. GDIN membership agreed to establish a 501(c)(3) funding mechanism and to retain the rest of the project as an unincorporated partnership until 2004.
FY 2003 DATA	**2003 Results**	GDIN operations center not established, but a blueprint for an operations center has been created.
	Target	Establish a GDIN operations center.
	Rating	☐ **Slightly Below Target**
	Impact	● The establishment of the GDIN operations center will be delayed by at least a year. An Operations Center facilitates the expeditious flow of disaster-related information to regions with poor disaster infrastructure. The delay in establishing the operations center results in the target regions not having an efficient method of sharing such information, a basic public safety issue.
	Other Issues	● The performance shortfall is primarily due to the delay in the GDIN 2003 conference, where this issue was to be discussed. The Conference was delayed due to security concerns. ● Establishment of the GDIN operations center will be discussed at the GDIN 2004 Conference scheduled for March 2004. Planning for that conference is on track. ● Beginning in FY 2004, the Department will no longer report on this indicator. Its validity as a measure of the Department's efforts and performance in this area is limited. USAID, as the primary agency responsible for this performance goal, has developed specific FY 2004 goals and targets.

VIII. Program Evaluations and PART Reviews

Two program evaluations and two OMB PART reviews for the FY 2004 budget process were conducted in FY 2003 that pertained to this Strategic Goal.

1) Humanitarian Assistance: Protecting Refugee Women and Girls Remains a Significant Challenge, (GAO-03-663)

2) Integrated Mine Action Services (IMAS) Contract (AUD/PPA-03), (OIG)

3) Refugee Admissions to the U.S., (OMB PART)

4) Humanitarian Migrants to Israel, OMB PART)

Detailed information on major findings, recommendations, actions to be taken on the program evaluations, and the PART reviews can be found in the "OMB PART Summaries" and the "Completed Program Evaluations for FY 2003" appendices.

STRATEGIC OBJECTIVE #3: PROMOTE INTERNATIONAL UNDERSTANDING

Throughout the world, the public face of the United States generates strong opinions, positive and negative. These public attitudes directly affect our ability to achieve our foreign policy and development assistance objectives. The Department leads the effort to shape these U.S. perceptions by relating this public face to our values as a nation and our history as a people.

U.S. values and interests drive our policies. Moreover, the values we espouse of political and economic freedom and the non-negotiable demands of humanity are increasingly recognized as universal rather than culturally specified. Successful public diplomacy will need to communicate and translate this intersection of values, interests, and policy while listening carefully to international publics. To this end, we must maintain a continuous dialog, mindful of regional context and cultural traditions, on the substance of U.S. ideals and their relationship to specific policies. Through this dialog, the Department will work to paint a realistic picture of the United States, one that enables audiences to make informed judgements about our policies, our society, and the relationship of both to their own interests.

STRATEGIC GOAL 11: PUBLIC DIPLOMACY AND PUBLIC AFFAIRS

Increase understanding for American values, policies, and initiatives to create a receptive international environment

I. Public Benefit

"As we work to end the scourge of terrorism, let us also work to increase peace, prosperity and democracy. We can do this through international programs that promote the exchange of ideas and the sharing of experiences. These programs give us insight into other languages and cultures and in the process build long lasting relationships among peoples based on mutual understanding, respect and trust."

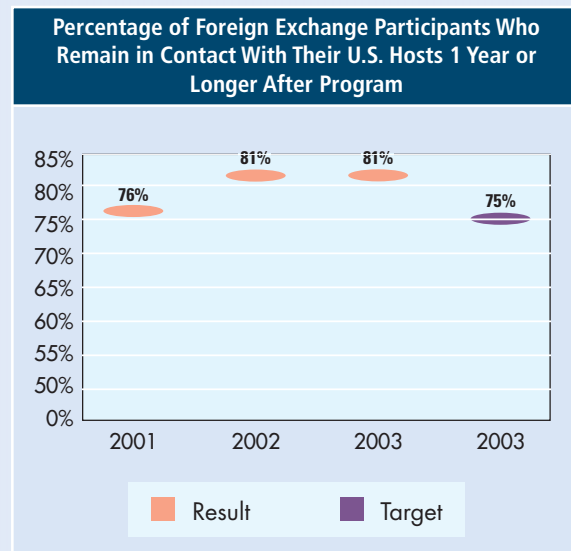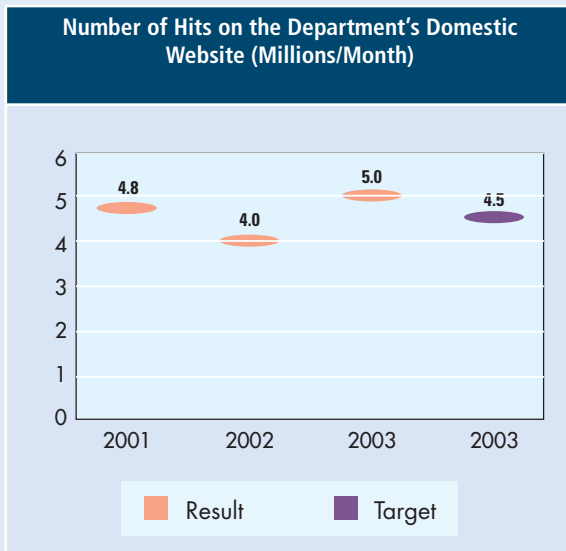*Secretary of State Colin L. Powell*

The exchange of information, persons, and ideas is fundamental to the security of the United States. Public Diplomacy and public affairs functions are premised on the knowledge that public opinion affects official decision-making almost everywhere in the world today.

Public diplomacy activities promote better appreciation of the United States abroad and greater receptivity for U.S. policies among foreign publics. Anti-American sentiment must be countered to win the War on Terrorism, achieve greater international stability, and dispel worldwide uncertainty. In the struggle of ideas, public diplomacy is a critical component. It provides a rapid and flexible capability for U.S. diplomacy abroad directed at improving understanding of and support for U.S. policy, encouraging and empowering moderates, and discouraging indoctrination in extremism. Used over the long term, public diplomacy programs build and maintain a foundation of positive public opinion that directly supports U.S. approaches to satisfying universal demands for human dignity: the rule of law; limits on the absolute power of the state; free speech; freedom of worship; equal justice; respect for women; religious and ethnic tolerance; and respect for private property. Through public affairs programs, the Department also informs the American people of U.S. foreign policy and initiatives that have a direct impact on their lives. In our democratic society, it is imperative that the public understands the basis of Department policies carried out on their behalf.

Domestic public affairs and international public diplomacy necessarily overlap. In the words of the Administration's National Security Strategy, "Today, the distinction between domestic and foreign affairs is diminishing. In a globalized world, events beyond America's borders have a greater impact inside them. Our society must be open to people, ideas, and goods from across the globe." In the words of the 1961 Fulbright-Hayes Act, educational and cultural exchanges promote "the improvement and strengthening of the international relations of the United States by promoting mutual understanding among the peoples of the world" – including the American people.

II. Selected Performance Trends

Number of Hits on the Department's Domestic Website (Millions/Month)

Percentage of Foreign Exchange Participants Who Remain in Contact With Their U.S. Hosts 1 Year or Longer After Program
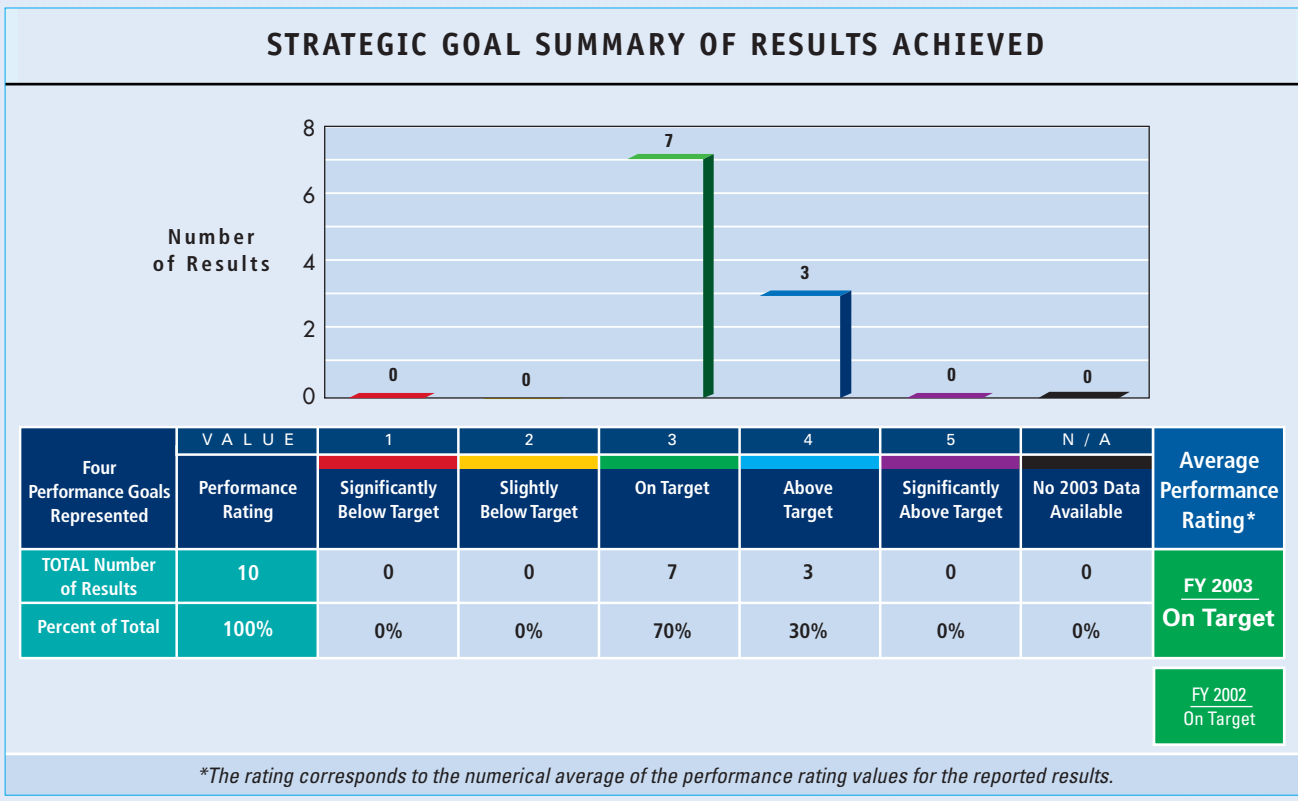
III. Strategic Context

The Public Diplomacy and Public Affairs strategic goal is supported by four performance goals. Shown below are the major initiatives/programs, bureaus and partners that contribute to accomplishment of the strategic goal.

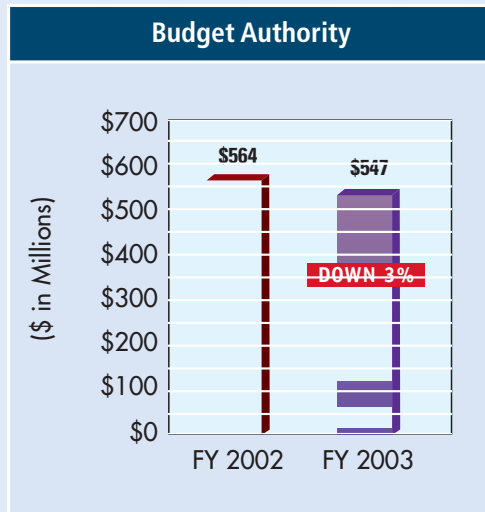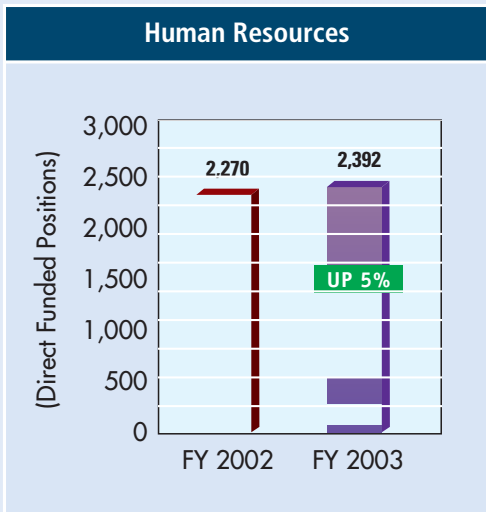| Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Public Diplomacy and Public Affairs	International Public Opinion	Reaching Out to Allies and Regional Powers	IIP/PA, Regional Bureaus	DoD, Board of Broadcasting Governors, International media organizations, think tanks and polling organizations
	Mutual Understanding	Educational and Cultural Affairs, Regional Bureaus	Educational and Cultural Affairs, Regional Bureaus	U.S. NGOs, Academia, Private Sector
	American Values Respected Abroad	Communicate More Effectively With Global Publics	Educational and Cultural Affairs, Public Affairs, International Information Programs	NED, Private Sector, NGOs, think tanks and polling organizations, academia
	Domestic Understanding of Foreign Policy	Outreach to Expanded U.S. Audience	Public Affairs	Educational institutions, IG organizations, NGOs, and community groups
		Historical Research and Publications	Public Affairs	CIA

IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Public Diplomacy and Public Affairs strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", unchanged from last year's "on target" rating.

STRATEGIC GOAL SUMMARY OF RESULTS ACHIEVED

Four Performance Goals Represented	VALUE Performance Rating	1 Significantly Below Target	2 Slightly Below Target	3 On Target	4 Above Target	5 Significantly Above Target	N / A No 2003 Data Available	Average Performance Rating*
TOTAL Number of Results	10	0	0	7	3	0	0	**FY 2003** **On Target**
Percent of Total	100%	0%	0%	70%	30%	0%	0%	

FY 2002 On Target

*The rating corresponds to the numerical average of the performance rating values for the reported results.

V. Resources Invested

Human Resources

Budget Authority

VI. Illustrative Example of a Significant Achievement

Persian Website

Within a week after the Department's Persian website: Pol-e-Ettela'ati (Information Bridge) went live on May 12, 2003, it initially recorded an average of 30,000 hits per day. News of the site spread quickly by e-mail and by word of mouth: one Iranian-American telephoned his father in Iran to tell him about the site; the father's response was "I know, I've already seen it!" Other samplings from the many e-mails we have received: "(I) hope this to be the start of a process that ends up in restoration of bilateral relations with the U.S. "I thank you for building many bridges for communication." – signed: "Hoping for Iran's freedom." "Please force this Islamic government to stop this scandal and give us back our freedom, which was granted by his majesty Cyrus the Great 2500 years ago." "I sent your site address to most of my friends… we hope we can communicate with the U.S. Government and U.S. people as soon as possible."

The Department launched a persian language website to provide Iranians with information about the United States and U.S. policy towards Iran.

VII. Performance Results

PERFORMANCE GOAL 1

Public diplomacy influences global public opinion and decision-making consistent with U.S. national interests

I/P #1: REACHING OUT TO ALLIES AND REGIONAL POWERS		
Emphasize U.S. interests in global security by reaching out publicly to friends, allies, and regional powers.		
INPUT INDICATOR		
Indicator #1: Level of International Public Understanding of U.S. Policies		
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	N/A
FY 2003 DATA	**2003 Results**	**Baseline:** ● **Speakers:** Sent 846 speakers abroad, of which 168 traveled to the Middle East and South Asia. ● **Digital Video Conferences:** The Speakers program was supplemented by 480 digital video and telephone conferences. ● **Publications:** Through Embassies worldwide, distributed over 500,000 copies of 16 new publications, approximately half of which dealt with counterterrorism or Iraq.
	Target	**Baseline:** Evidence shows that information provided has reached intended users.
	Rating	🟩 **On Target**
	Impact	An FY 2000 survey of American Ambassadors rated the Speakers/Specialist program as one of the four most useful Public Diplomacy programs/products. For instance, as part of the Speakers Program, two examples are notable: ● Ken Pollack, author of *The Threatening Storm: The Case for Invading Iraq*, spoke in South Africa. According to Embassy staff, the audience remained anti-war, but acknowledged, after listening to Pollack, that the U.S. had a strong case for going to war. ● In Kuala Lumpur, during an Iftaar dinner through which invited Malaysian religious leaders and other local dignitaries heard Dr. Osman Bakar, of Georgetown University, assert that America is for Muslims "a second Mecca" – one of only two places in the world where every Muslim sect can live and worship in harmony.

I/P #1: REACHING OUT TO ALLIES AND REGIONAL POWERS *Continued*

OUTCOME INDICATOR

Indicator #2: Number of Page Views to Department's International Website, Mission Websites and Listservs

FY RESULTS HISTORY		
2000	N/A	
2001	N/A	
2002	N/A	

FY 2003 DATA		
2003 Results	**Baseline:** ◉ Daily average of 155,000 USINFO pages read, an increase of approximately 20% over FY 2002. ◉ Approximately 10% of users come for reference material on U.S. history, government. ◉ The USINFO website was rated by users as "above average" in customer satisfaction, slightly higher than what users give commercial websites. ◉ 10,153 subscribers to listservs targeting all of the geographic regions of the world in six languages.	
Target	A total of 120,000 average daily pages read; 8,000 subscribers to listservs.	
Rating	🟦 **Above Target**	
Impact	Approximately 30% of our listserv subscribers are Chinese speaking, half of whom reside in China. This means that through the Internet, we are reaching a large audience with information about the U.S. and our policies, unfiltered by Chinese government censors.	

OUTPUT INDICATOR

Indicator #3: The Level of Media Placement in Foreign Markets in Broadcast and Print

FY RESULTS HISTORY		
2000	N/A	
2001	N/A	
2002	N/A	

FY 2003 DATA		
2003 Results	**Baseline:** ◉ **Placement of Broadcast Media:** Two short documentary films aired in 25 countries (Rebuilding Afghanistan & Afghan Spring); 120 special TV productions; 75 Foreign Press Center Briefings; 31 TV Co-ops with foreign broadcasters; 4 co-productions for Russian Public TV, Belarus TV, Georgian TV, and French African TV, 184 TV interviews; and 38 radio interviews. Print Media: 22 FPC briefings, and 87 interviews. ◉ **Actual op-ed/by-liner placement, by region:** Africa-53, East Asia/Pacific-60, Europe-434, Near East-43, South Asia-78, Western Hemisphere-238.	
Target	Evidence shows that information has reached intended user.	
Rating	🟩 **On Target**	
Impact	Overall, the Department has difficulty placing a critical mass of material in Muslim majority media. While the Department does not have systematic evaluations of the impact of its placements, (such as large scale media trends analysis or targeted opinion polling), anecdotal evidence of effectiveness is present. For instance, ◉ President Bush's Ramadan greeting, transmitted via the USINFO website on November 5, 2003, was placed widely throughout the Muslim world: Embassy Kuala Lumpur succeeded in placing the message (in English and Malaysian) on Bernama, the national news service, ensuring wide dissemination to all Malaysian media. It enjoyed prominent placement in Malaysia's two celestial papers, the *Sun* and the *Star*, with a total readership of over 1.5 million.	

PERFORMANCE GOAL 2

International exchanges increase mutual understanding and build trust between Americans, people, and institutions around the world

I/P #2: ENGAGING AUDIENCES MORE DEEPLY

Further improve the exchange of U.S. objectives and ideals by involving program participants at more profound levels.

OUTPUT INDICATOR

Indicator #1: Percentage of Participants Who Increased Their Understanding of the Host Country Immediately After Their Program

FY RESULTS HISTORY		
2000	N/A	
2001	**Baseline: 92%**	
2002	91%	

FY 2003 DATA		
2003 Results	89%
Target	92%
Rating	🟩 **On Target** ● Results are based on survey responses with a plus or minus 3 percentage points margin of error. Within this range of the target, the FY 2003 result is considered "On Target."
Impact	These developments lead to better appreciation of the U.S. and its interests, and more effective U.S. promotion of fruitful international relations.

OUTPUT INDICATOR

Indicator #2: Percentage of Participants who Remain in Contact with Host Country People Met on Their Program one Year or Longer After Their Program

FY RESULTS HISTORY		
2000	N/A	
2001	**Baseline: 76%**	
2002	81%	

FY 2003 DATA		
2003 Results	81%
Target	75%
Rating	🟦 **Above Target**
Impact	Greater mutual understanding results in strengthened ties and sustainable relationships between Americans and citizens of other countries. Examples of results included: ● Foreign parliamentarians who use their contacts in the United States to help foster democratic practices in their countries. ● Foreign young professionals who seek out and utilize American businesses and U.S. based information sources more than their fellow countrymen who did not participate in an exchange program.

PERFORMANCE GOAL 3

Basic human values embraced by Americans are respected and understood by global publics and institutions

I/P #3: COMMUNICATE MORE EFFECTIVELY WITH GLOBAL PUBLICS

Enhance and build on current communications outreach strategies; educate global publics on American human values, policies, and leadership in order to promote a positive image of the U.S. abroad.

		OUTPUT INDICATOR
		Indicator #1: Targeted Publics Receive Intended Message
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	N/A
FY 2003 DATA	**2003 Results**	**Baseline:** ● *hi* **Magazine:** The first three editions (totaling 150,000 copies) of "hi" magazine, in Arabic, were issued and distributed throughout the Middle East. Production deadlines met. ● **American Corners:** Established 23 new American Corners. There are now 79 American Corners distributed as follows: EUR: 56; AF: 18; EAP: 4; SA - 1. ● **Persian Website:** The U.S. has no official presence in Iran, so the USINFO Persian website serves as a virtual Embassy and cultural center for thousands of Iranians who have access to the Internet but do not read English.
	Target	Evidence shows that information provided has reached intended user.
	Rating	🟩 **On Target**
	Impact	*hi* **Magazine:** ● Initial Arab media reviews of the new magazine are on balance positive. A columnist for Al Hayat – a leading pan-Arabian paper says the following about *hi*: "Its publication reflects an American determination to reach the Arab man in the street. No doubt, this is an American investment in the future. The results will not be felt for years to come, when the young generation that is the target of this American message assumes responsibilities in their own countries". **American Corners:** ● In Russia, An American Corner hosted by the Russian Parliamentary Library, was recruited to help Duma staff members find accurate information about the United States. In Indonesia, where there are a few public libraries and materials about the U.S. are hard to find, Indonesian universities are asking for American Corners to help tell Indonesian young people America's story. **Persian Website:** ● In the few months since the Department's website in Persian was launched in May 2003, the site has 2,000 viewers daily. Iranian journalists monitor the site and several articles published in Iranian media have been based on material only available on the site.

PERFORMANCE GOAL 4

American understanding and support for U.S. foreign policy, development programs, the Department of State, and the U.S. Agency for International Development

I/P #4: OUTREACH TO EXPANDED U.S. AUDIENCE

Reach beyond traditional audiences to a younger, broader, and deeper audience.

		OUTPUT INDICATOR
		Indicator #1: Number of Interviews and Contacts With U S. Media
FY RESULTS HISTORY	**2000**	N/A
	2001	N/A
	2002	N/A
FY 2003 DATA	**2003 Results**	**Baseline:** ◉ 120 daily press briefings; ◉ 15,000 calls from the press; ◉ 1,000 print, radio, and TV interviews, Opinion Editorials (Op Eds) and major press conferences with Department principals.
	Target	16,000 contacts/year.
	Rating	🟩 **On Target**
	Impact	Daily press briefings and responses to calls provide journalists with accurate, authoritative statements of U.S. policy. Op-Eds, press conferences and interviews with Department officials help explain Administration views to the broadest possible audience.

Secretary Powell's remarks at the Foreign Press Center on U.S. Foreign Policy after the U.N. General Assembly.
© AP Photo by Ron Edmonds.

I/P #4: OUTREACH TO EXPANDED U.S. AUDIENCE *Continued*

OUTPUT INDICATOR

Indicator #2: Increase in the Number of Outreach Activities to Targeted U.S. Audiences

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	N/A

FY 2003 DATA		
	2003 Results	**Baseline:** ◉ Distributed 14,000 curriculum video packages to U.S. educators; ◉ Conducted over 1500 outreach activities; ◉ Reached over 12,000 students through in-house briefings and other programs; ◉ Conducted 23 student town meetings at high schools and colleges; ◉ Conducted over 600 Washington and regional events for Department's speakers program; and ◉ Delivered over 70 presentations at State and National Governmental conferences.
	Target	Evidence shows that information provided has reached intended user.
	Rating	🟩 On Target
	Impact	Public outreach programs raised awareness and public understanding of current foreign policy issues, increased public engagement in the policy process, and provided U.S. citizens opportunities to exchange views with Department of State officials who formulate and implement policy. Conducted throughout the U.S., these programs encourage ongoing interest, involvement and dialogue.

OUTPUT INDICATOR

Indicator #3: Increase in hits on the Department's Domestic Website

FY RESULTS HISTORY		
	2000	N/A
	2001	4.8 million hits per month.
	2002	4 million hits per month.

| FY 2003 DATA		
	2003 Results	5 million hits per month.
	Target	4.5 million hits per month.
	Rating	🟩 On Target
	Impact	Information dissemination by electronic means continues to be successful, evidenced by gradually increasing "hits" counts. The audience for the www.state.gov site is the American public. U.S. hits continue to be in the wide majority (70% vs. about 30% for international hits), so we are successfully reaching our target, while making a notable impact on foreign audiences as well.

I/P #5: HISTORICAL RESEARCH AND PUBLICATIONS

Increase efforts to publish Foreign Relations volumes within the 30-year time period required by law, support the policy process with adequate research studies, and bring a historical context to "broader, deeper, and younger" outreach activities.

OUTPUT INDICATOR

Indicator #4: Number of Historical, Research, and Educational Publications

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	N/A

FY 2003 DATA		
	2003 Results	**Baseline:** Published six (6) Foreign Relations of the United States (FRUS) volumes.
	Target	Publish four (4) FRUS volumes.
	Rating	◼ **Above Target**
	Impact	The six volumes published in FY 2003 included two that were unique and had a significant public impact. One, a path-breaking volume on the intellectual foundations of the Nixon administration's foreign policy, received high praise from the Department's congressionally mandated Advisory Committee on Historical Diplomatic Documentation. The other, an unprecedented retrospective volume on the 1954 coup in Guatemala, even had an impact beyond our borders. It led to considerable public discussion and praise for the Department and the USG, within both the United States and Guatemala, and had a positive impact on both bilateral relations and the public perception of the USG overseas. In addition, over a dozen policy-related research studies were prepared for Department principals, which provided essential historical background for their use in dealing with current foreign policy issues, such as the Iraq war and terrorism.

VIII. Program Evaluations and PART Reviews

Nine program evaluations and one PART review for the FY 2004 budget process were conducted in FY 2003 that pertained to this Strategic Goal.

1) American Corners, (DOS)
2) "hi" Magazine, (DOS)
3) INFOCENTRAL, (Computer Technologies Consultants, Inc.)
4) Persian Website, (DOS)
5) Content Management System for Public Diplomacy Websites (DOS)
6) Outcome Assessment of the Institute for Representative Government (IRG), AIR)
7) Evaluation of the Freedom Support Act (FSA) Undergraduate Program, (Aguirre International, Inc.)
8) Evaluation of the Russia-U.S. Young Leadership Fellows for Public Service Program, (Aguirre International, Inc.)
9) Outcome Assessment of International Professional Exchange Programs in a U.S. Community, (T.E. Systems, Inc.)
10) Educational Exchanges in Near East Asia and South Asia, (OMB PART)

Detailed information on major findings, recommendations, actions to be taken, program evaluations, and PART reviews, can be found in the "OMB PART Summaries" and the "Completed Program Evaluations for FY 2003" appendices.
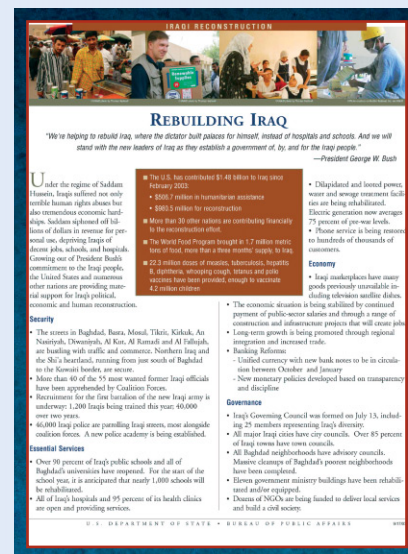
One page fact sheet on rebuilding Iraq - Department of State, Bureau of Public Affairs.

Department of State Photo

STRATEGIC OBJECTIVE #4: STRENGTHEN DIPLOMATIC AND PROGRAM CAPABILITIES

The fulfillment of the Department's mission and the achievement of our policy goals are inextricably linked to a foundation of sound management and organizational excellence required by the President's Management Agenda (PMA). This foundation is essential to support the work of America's Embassies and Consulates. The Department is committed to maintaining a well-qualified, workforce, supported by modern infrastructure that provides the tools to achieve our diplomatic and development goals worldwide. Building this foundation will require significant investments in people, systems, and facilities.

Ensure a high quality workforce supported by modern and secure infrastructure and operational capacities

I. Public Benefit

Human Resources: The 28,000 Foreign Service, Civil Service, and Foreign Service National employees posted in over 300 locations throughout the world are the Department's most significant resource. To maintain the U.S. role as a world leader in the twenty-first century, America's foreign policy representatives must be the best the nation has to offer. The Department must have sufficient resources to attract, train, promote, and retain the very best employees.

The Department continues to pursue human resource initiatives aimed at building, deploying and sustaining a knowledgeable, diverse and high-performing workforce. The goal is to have a workforce whose composition, size and skills can adapt quickly to changes in mission, technology and worldwide requirements of the foreign affairs environment. The Department has implemented a comprehensive leadership and management training initiative to ensure that the competencies of its current and rising generation of leaders are commensurate with the importance of their mission.

Information Technology: The Department's ability to fulfill its mission successfully depends heavily on the collection, analysis, communication, and presentation of information in forms useful to its stakeholders - the public, businesses, other USG agencies, foreign governments, and its employees. A secure, modern, information technology infrastructure is a vital tool that enables the Department to serve these stakeholders effectively. The Department is making a concerted effort to use commercial best practices to deploy modern automation platforms, secure global networks (unclassified, classified and the Internet), maintain a centrally managed IT infrastructure, deploy a modern messaging/archiving/information sharing system, streamline administrative systems, and introduce a customer-focused portal.

The Department continues to implement a comprehensive risk management program for IT systems, enhancements to user access information and services, and virtual collaboration in such areas as passport and visa services, crisis management, grants management, acquisition functions and streamlining of internal administrative processes.

Diplomatic Security: Secure working and living environments are essential in ensuring that the Department can effectively implement its foreign policy goals. The Bureau of Diplomatic Security (DS) provides such environments through a broad scope of global responsibilities including the protection of the Secretary of State and other senior government officials, resident and visiting foreign dignitaries, foreign missions in the U.S., American embassies/consulates overseas and special events.

The Office of Foreign Missions prevents abuses of diplomatic privileges and immunities, and improves conditions for U.S. personnel serving abroad. DS coordinates requests from U.S. law enforcement agencies for overseas investigations, including fugitive apprehensions, child abuse, counterfeit currency, and money laundering. A special unit conducts investigations of passport and visa fraud. DS also serves as the operational manager for the USG Rewards for Justice Program for information that prevents or resolves terrorism. Through the Anti-terrorism Assistance Program, DS builds the capacity of foreign governments to engage in the war on terrorism. Finally, the Department funds the Overseas Security Advisory Council (OSAC), a public-private sector partnership that fosters the exchange of ideas on global security.

The new American Embassy in Dar-es-Salaam, Tanzania, was completed in January 2003, and replaces the former embassy that was destroyed in the 1998 terrorist bombing. The design and construction of this new embassy incorporate the newest safety technology to ensure the security of embassy personnel.
Department of State Photo

Facilities: The Department's worldwide network of facilities is a critical component of its diplomatic readiness. The provision of secure, safe, and functional domestic and overseas facilities enables USG employees to pursue the vital interests of the American public more effectively.

At the end of the fiscal year, the Department had seventeen capital projects under construction, nine capital construction projects awarded and sixty-eight major rehabilitation projects underway overseas. The Capital Security Cost Sharing (CSCS) program will accelerate construction and encourage rightsizing. Domestically, the consolidation and renovation of the Department's office space in Foggy Bottom will serve the conduct of diplomacy in Washington and provide a more secure and efficient workspace. Likewise, the completion of a modern office building for the U.S. Mission to the United Nations (USUN) in New York will provide a safe, secure and functional facility for our diplomatic mission.
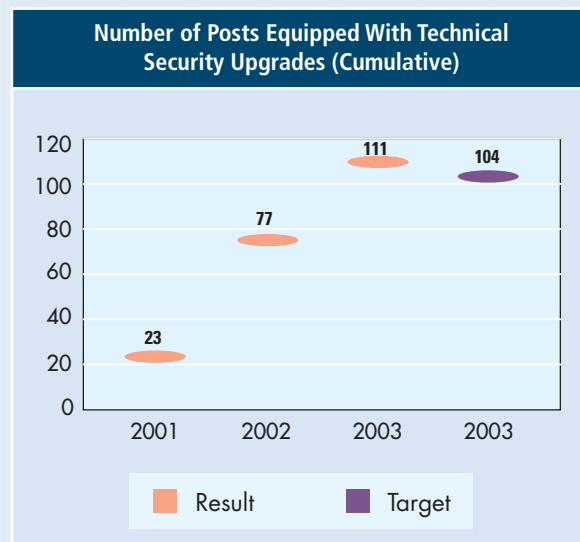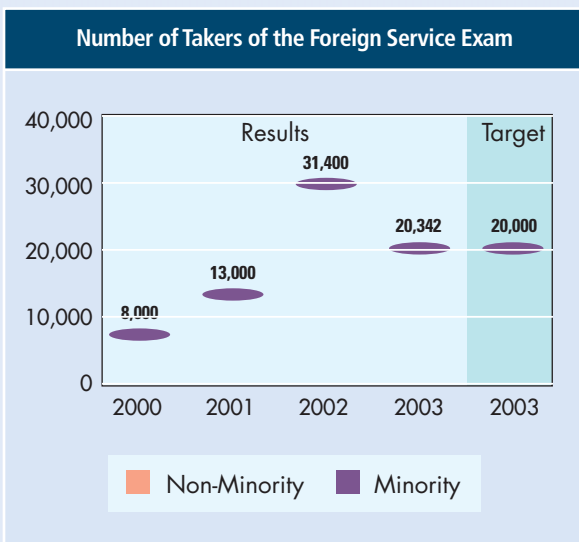
Planning, Budgeting and Financial Management: Integrated budgeting, planning and performance measurement processes, together with effective financial management and demonstrated financial accountability, will improve the management and performance of the Department. It will ensure that the resources entrusted to the Department are well managed and judiciously used. The American people will be able to see how well programs perform, and the costs they incur for that performance. This improved accountability for performance, together with unquestionable fiscal integrity, will deliver meaningful results to the American people.

Administrative Services: The Bureau of Administration provides support to diplomatic activities by ensuring timely delivery of products and services to U.S. embassies and consulates around the world. E-logistics processes enhance services by eliminating redundancies, increasing efficiencies, and providing secure real-time query tools. Electronic commerce offers American businesses expanded opportunities to compete for Department contracts. Performance-based contracting ensures more efficient and effective use of program dollars. The 80 percent reduction in the backlog of Freedom of Information Act (FOIA) requests by FY 2005 will contribute significantly to the public's timely knowledge of foreign policy issues. A new information system being implemented by the Office of Allowances will provide overseas posts with a faster, more accurate and reliable system for submitting allowances data electronically. U.S. accreditation of overseas schools ensures the availability of an appropriate, high quality American-style education for USG dependents overseas, and facilitates their transfer between overseas and U.S. schools.

Public-private competitions will generate taxpayer savings and noticeable performance improvements. Recent competitions under OMB Circular A-76 across federal agencies have resulted in savings between 20 and 30 percent regardless of who wins a competition. Public-private competitions will also promote innovation, efficiency, and greater effectiveness within the Department.

II. Selected Performance Trends

Number of Takers of the Foreign Service Exam

Results / Target

Year	Value
2000	8,000
2001	13,000
2002	31,400
2003	20,342
2003 (Target)	20,000

Non-Minority ■ Minority ■

Number of Posts Equipped With Technical Security Upgrades (Cumulative)

Year	Value
2001	23
2002	77
2003	111
2003	104

Result ■ Target ■
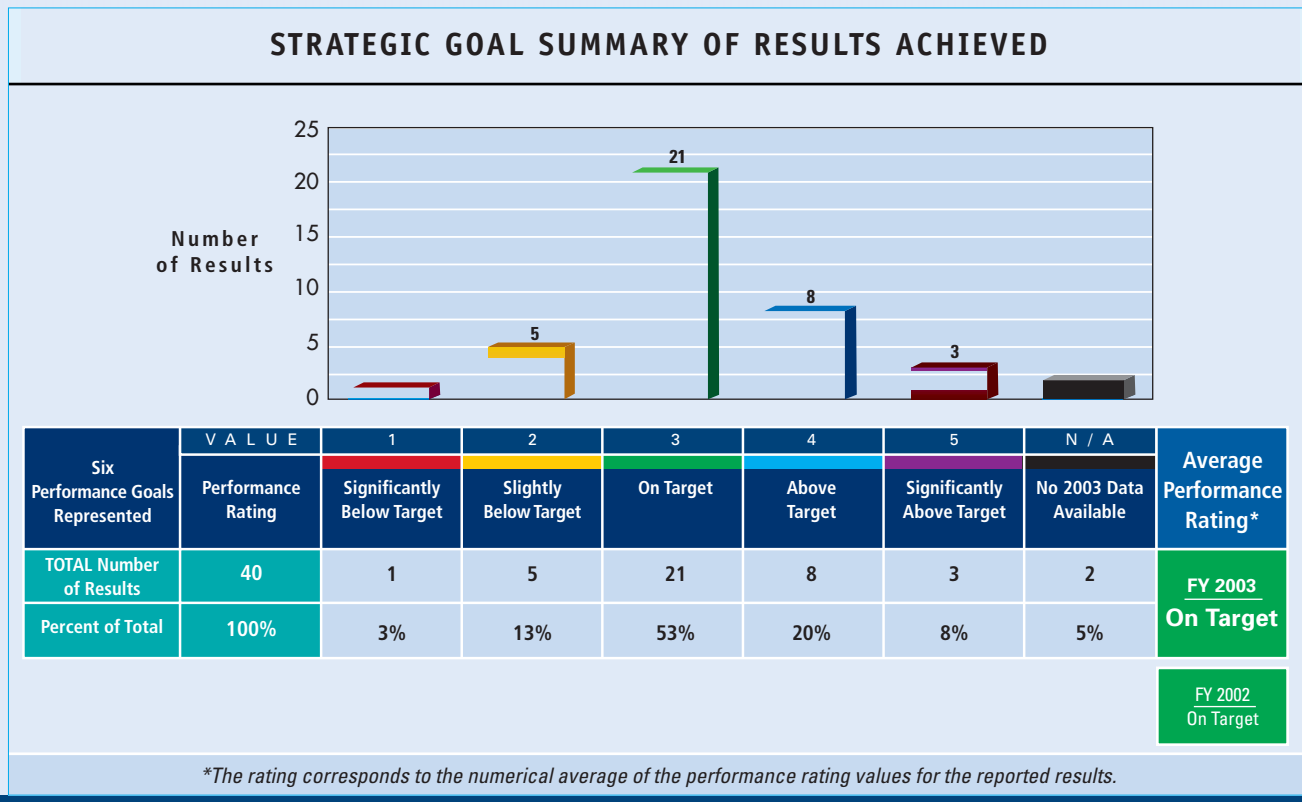
III. Strategic Context

The Management and Organizational Excellence strategic goal is supported by six performance goals. Shown below are the performance goals, initiatives/programs, bureaus and partners that contribute to accomplishment of the Management and Organizational Excellence strategic goal.

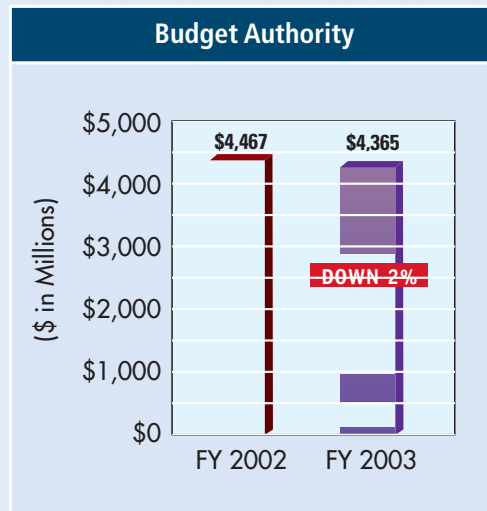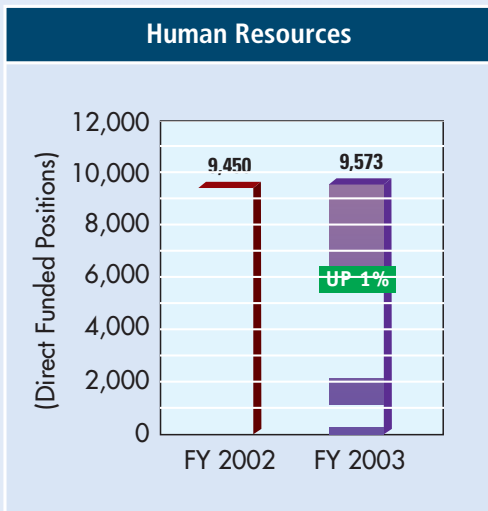| Strategic Goal	Performance Goal (Short Title)	Initiative/Program	Lead Bureau(s)	External Partners
Management and Organizational Excellence	Human Resources and Training	Recruit and Hire Talented & Diverse Employees	Human Resources	HBCU, HACU, OPM, Partnership for Public Service
		Diplomatic Readiness and Other Priority Training	Human Resources	HBCU, HACU, OPM, Partnership for Public Service, USAID, FCS, FAS, and other foreign affairs agencies
		Core Training Programs	Foreign Service Institute	USAID, FCS, FAS, USDA and other foreign affairs agencies
		Quality of LIfe	Human Resources, Foreign Service Institute	N/A
		Americans Employed by UN Organizations	International Organizations	International organizations, other USG agencies
		Locally Employed Staff	Human Resources	USAID, FCS, FAS and other participating agencies
	Information Technology	Ready Access to International Affairs Applications and Information	Information Resource Management, International Information Programs, Consular Affairs, Political-Military Affairs	USAID and 30 other USG Agencies at overseas posts
		Secure Global Network & Infrastructure	Information Resource Management	USAID and 30 other USG Agencies at overseas posts
		Modern, Worldwide Integrated Messaging (State Messaging and Archive Retrieval Toolset)	Information Resource Management	USAID and 30 other USG Agencies at overseas posts
	Diplomatic Security	Secure Employees	Diplomatic Security	N/A
		Protect Critical Infrastructure	Resource Management	FEMA and Homeland Security
	Overseas and Domestic Facilities	Capital Security Construction	Overseas Building Operations	Other USG Agencies
		Foggy Bottom Renovation/ Consolidation	Administration	GSA
		New Office Building for USUN	Administration	GSA, USUN
	Resource Management	Integrate Budget & Performance	Resource Management	OMB, Congressional committees & subcommittees, foreign affairs agencies, GAO
		Improve Financial Performance	Resource Management	OMB, GAO, Treasury
	Administrative Services	Worldwide Logistics	Administration	Various USG agencies
		Overseas Schools Accreditation	Administration	USG agencies, international schools, diplomatic community, educational associations
		Records and Publishing Services	Administration	National Archives and Records Administration, GAO, GPO, OMB, various foreign affairs agencies
		Allowances	Administration	USG agencies

IV. Performance Summary

The chart below shows the performance rating distribution of the FY 2003 results for the Management and Organizational Excllence strategic goal. Also shown is a comparison between the FY 2003 and FY 2002 average performance ratings for the goal. FY 2003 results produced a rating of "on target", unchanged from last year's "on target" rating.

STRATEGIC GOAL SUMMARY OF RESULTS ACHIEVED

Six Performance Goals Represented	VALUE Performance Rating	1 Significantly Below Target	2 Slightly Below Target	3 On Target	4 Above Target	5 Significantly Above Target	N / A No 2003 Data Available	Average Performance Rating*
TOTAL Number of Results	40	1	5	21	8	3	2	**FY 2003**
Percent of Total	100%	3%	13%	53%	20%	8%	5%	**On Target**
								FY 2002 On Target

The rating corresponds to the numerical average of the performance rating values for the reported results.

V. Resources Invested

Human Resources

Budget Authority

VI. Illustrative Example of a Significant Achievement

Foreign Language Training

As of mid-year FY 2003, FSI's School of Language Studies has conducted 49,065 hours of training for 136 enrollments in national security-critical languages of Dari, Kurdish, Pashto, Persian/Farsi, Tajiki, Urdu and Uzbek. A pilot Iraqi Familiarization course was piloted in 3rd Quarter FY 2003. Curriculum development began in Kurdish and Iraqi Variety Arabic, with curricula being updated in Dari, Pashto, and Persian/Farsi. Preparation has begun towards expanding "Beyond 3" training opportunities, designed to increase the Department's cadre of speakers of the most difficult languages (especially Arabic), as well as the development of a Language Learning Continuum to promote and guide the building and replenishment of cadres of personnel with advanced skills in other priority languages needed by the Department.

Department of State Photo

VII. Performance Results

PERFORMANCE GOAL 1

A high performing, well-trained, and diverse workforce aligned with mission requirements

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I/P #1: RECRUIT AND HIRE TALENTED, DIVERSE EMPLOYEES

Maintain a talented and diverse workforce in the Department.

INPUT INDICATOR

Indicator #1: Number of Individuals Taking the Foreign Service Written Exam (FSWE)

FY RESULTS HISTORY		
2000	8,000
2001	13,000
2002	31,400

FY 2003 DATA		
2003 Results	20,342
Target	20,000
Rating	■ Above Target
Impact	A greater pool of individuals taking the FSWE provides the Department with a broader and deeper talent pool for hiring purposes.

INPUT INDICATOR

Indicator #2: Number of Applicants to Foreign Service Specialist Positions

FY RESULTS HISTORY		
2000	3,028
2001	3,695
2002	4,000

FY 2003 DATA		
2003 Results	4,800
Target	3,300
Rating	■ Significantly Above Target
Impact	The Department has closed hiring deficits in key specialist fields and developed strong human resource "skill banks" available for future hiring purposes.

I/P #1: RECRUIT AND HIRE TALENTED, DIVERSE EMPLOYEES *Continued*

INPUT INDICATOR

Indicator #3: Applicants to the Student Programs

FY RESULTS HISTORY		
2000	1,450	
2001	1,787	
2002	2,000	

FY 2003 DATA		
2003 Results	6,000	
Target	1,530	
Rating	■ **Significantly Above Target**	
Impact	The FY 2003 result has potential to significantly increase the Department's pool of future candidates by introducing the next generation of young people to the Department and its functions.	

INPUT INDICATOR

Indicator #4: Number of Minority Individuals Taking the Foreign Service Written Exam (FSWE)

FY RESULTS HISTORY		
2000	2,100	
2001	4,000 – 27% of total exam takers.	
2002	10,700 - 34 % of total exam takers.	

FY 2003 DATA		
2003 Results	6,238 or 31% of total exam takers.	
Target	10, 700 or 34% of total exam takers	
Rating	■ **On Target**	
Impact	This result increases likelihood that the Department will be able to attract and hire minorities. It builds a critical mass of interest among minority communities which can be a foundation for future outreach and hiring.	

INPUT INDICATOR

Indicator #5: Level of Overall Hiring

FY RESULTS HISTORY		
2000	Hired to attrition (Approx. 800).	
2001	Hired to attrition (Approx 800).	
2002	Hired 900 above attrition, thus beginning process of closing mission-critical overseas staffing gaps. Total hires including attrition included 470 junior Foreign Service officers, more than 700 FS specialists, over 300 security personnel, and about 150 IT professionals.	

FY 2003 DATA		
2003 Results	Hired 399 above attrition plus 51 border security and 134 diplomatic security employees.	
Target	Hire 400 above attrition.	
Rating	■ **On Target**	
Impact	By hiring above attrition, the Department is better able to meet quickly emerging or unplanned priorities without a decline in its ability to meet day to day responsibilities.	

I/P #1: RECRUIT AND HIRE TALENTED, DIVERSE EMPLOYEES *Continued*

INPUT INDICATOR

Indicator #6: Level of Civil Service (CS) Hiring

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** Hired to attrition.
	2002	Over 600 CS employees hired.

FY 2003 DATA		
	2003 Results	Reduced CS vacancies by half.
	Target	Reduce CS vacancies by half.
	Rating	■ **On Target**
	Impact	The availability of civil servants both in terms of quantity and needed skills enables this component of the Department's workforce to better support its overall operations.

I/P #2: DIPLOMATIC READINESS AND OTHER PRIORITY TRAINING

Training to Support the Diplomatic Readiness Initiative (DRI) and the Department's Hiring Plan.

OUTPUT INDICATOR

Indicator #7: Mandatory Leadership Training Participation

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** 3,118 course offerings. Mandatory Leadership/Management courses did not exist.
	2002	● 3,329 course offerings. ● Mandatory Leadership/Management requirements approved. ● About 700 employees received mandatory Leadership/ Management training.

FY 2003 DATA		
	2003 Results	● 3,752 course offerings provided. ● Mandatory Leadership/Management training provided for 1,754 employees. ● Senior Executive Training Seminar course initiated.
	Target	● Correct number of offerings support Department's hiring plan. ● Mandatory Leadership/ Management training provided for 1,725 employees.
	Rating	■ **Above Target**
	Impact	Leadership/Management training promotes a leadership culture designed to improve the Department's management cadre and develop those who will eventually assume positions of leadership.

I/P #2: DIPLOMATIC READINESS AND OTHER PRIORITY TRAINING *Continued*

INPUT INDICATOR

Indicator #8: Enrollment in Foreign Language/Area Studies Relating to "Enduring Freedom," "Iraqi Freedom" and Post-9/11 Initiatives

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** 57,320 hours of training; 106 enrollments.
	2002	109,921 hours of training; 231 enrollments.

FY 2003 DATA		
	2003 Results	◉ 81,864 hours of training. ◉ 228 enrollments in Arabic, Dari/Persian/Afghan, Pashtu, Persian/Farsi/Iranian, Tajiki, Urdu, and Uzbek. ● In Dari, Farsi and Pashtu, FSI developed a range of updated course materials including short-term survival/familiarization modules, and consular and/or military professional modules in addition to basic course materials. ◉ Developed a capacity to deliver Kurdish training, including development of materials, in the expectation of future State assignments.
	Target	◉ Meet increased demand resulting from assignments to language designated positions (LDPs) in target languages. ◉ Rebuild dormant language training programs in Dari, Kurdish, Pashtu, and Farsi.
	Rating	🟩 **On Target**
	Impact	More staff with proficiency in critical languages will improve the Department's ability to conduct diplomatic relations through improved communications, negotiations, screening documents such as visa applications, and promoting U.S. interests with host country nationals.

I/P #3: CORE TRAINING PROGRAMS

Provide base level training in tradecraft, foreign languages, leadership/management, and information technology.

OUTPUT INDICATOR

Indicator #9: Percentage of Employees Assigned to Language Designated Positions (LDPs) who Meet the Requirement of the Position

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** In CY 2001, 80 percent fully met and 13 percent partially met LDP requirement.
	2002	In CY 2002, 88 percent fully met LDP requirement.

FY 2003 DATA		
	2003 Results	N/A; statistic is computed on a calendar year basis; not yet available for CY 2003.
	Target	Maintain or improve CY 2002 percentage.
	Rating	■ TBD
	Impact	Having more staff proficient in foreign languages improves the Department's ability to conduct diplomatic relations.

OUTPUT INDICATOR

Indicator #10: Percent of Language Students Attaining Skill Objectives when Enrolled for at least the Recommended Amount of Training

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** 74%
	2002	75%

FY 2003 DATA		
	2003 Results	78%
	Target	Maintain or improve CY 2002 percentage.
	Rating	🟩 **On Target**
	Impact	Having more staff proficient in languages improves the Department's ability to conduct diplomatic relations.

The Department's Foreign Service Institute provides more than 400 courses including approximately 60 foreign language courses to more than 40,000 enrollees a year and more than 40 other government agencies and the military service branches.
Department of State Photo

I/P #4: QUALITY OF LIFE

Provide work/life and family programs that meet the changing needs and expectations of a diverse workforce and their families, while furthering Department interests and objectives.

OUTPUT INDICATOR

Indicator #11: Results of Employee Satisfaction Survey

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	**Baseline:** ● 4,000 American direct-hire employees responded to survey. ● Department morale is high, with a significant majority of employees categorizing morale as either outstanding (12.8%) or good (47.6%). ● Seven out of ten surveyed employees plan to stay with the Department for the long term, at least until eligible to retire.

FY 2003 DATA		
	2003 Results	Survey was not performed in FY 2003.
	Target	Use employee survey results to evaluate and develop programs.
	Rating	■ N/A
	Impact	N/A

I/P #5: AMERICANS EMPLOYED BY UN SYSTEM ORGANIZATIONS

Increase the percentage of Americans working in UN System organizations, especially where they are currently not employed in equitable numbers.

OUTPUT INDICATOR

Indicator #12: Percentage of UN System Organizations' Workforce (Positions Subject to Geographical Distribution) Filled by American Citizens[1]

FY RESULTS HISTORY		
	2000	N/A
	2001	12.0% (CY 2000)
	2002	11.8% (CY 2001)

FY 2003 DATA		
	2003 Results	11.6% (CY 2002)
	Target	12.2% (CY 2002)
	Rating	🟨 **Slightly Below Target**
	Impact	Americans bring knowledge and skills to organizations which translates into increased efficiency and effectiveness and better value for our contributions to these organizations.
	Other Issues	**Reason for Significant Performance Shortfall:** Performance was slightly below target because employment of American citizens did not increase as fast as did total employment in posts subject to geographical distribution in the targeted organizations. To rectify this, the Department will, ◉ Increase staffing dedicated to this initiative. ◉ Expand outreach by contacting more professional associations/groups to identify candidates. ◉ Use a newly established interagency taskforce to identify candidates from outside the USG and facilitate transfers of government staff to UN agencies.

[1] UN System organizations gather their information on a Calendar Year basis. Because of the delay in gathering and reporting the performance data, each fiscal year's targets report on the previous calendar year.

The annual targets and results shown are averages among those international organizations where the U.S. is most inequitably employed or which attract a high level of interest. For CY 2001 and CY 2002, these organizations were as follows: UN, ILO, ITU, ICAO, FAO, UNHCR, and WHO.

I/P #6: LOCALLY EMPLOYED STAFF

Overseas employment: outreach and training.

OUTPUT INDICATOR

Indicator #13: Percent of Eligible Family Members Employed in Local Economies Overseas Through Spouse Networking Assistance Program (SNAP)

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	**Baseline: 2%**

FY 2003 DATA		
	2003 Results	4%
	Target	4%
	Rating	🟩 **On Target**
	Impact	The SNAP program increases morale at overseas posts by providing family members with meaningful employment and income. Furthermore, the program helps maintain high retention rates because data show that the lack of spousal employment is among top reasons for Foreign Service officer attrition.

PERFORMANCE GOAL 2

Modernized, secure, and high quality information technology management and infrastructure that meet critical business requirements

I/P #7: READY ACCESS TO INTERNATIONAL AFFAIRS APPLICATIONS AND INFORMATION

Ensure effective means of electronic communication and connectivity.

OUTCOME INDICATOR

Indicator #1: Status of Commercial Networking Facilities Available for Unclassified and Classified Processing Completed

FY RESULTS HISTORY	2000	Custom-leased telecommunications lines. Limited bandwidth and availability.
	2001	OpenNetPlus (ON+) Internet pilot completed. Twelve Virtual Private Networks (VPNs) installed.
	2002	OpenNetPlus pilot period completed; lessons learned documented. Substantial progress made on deployment to domestic and overseas posts. A cumulative total of fifty-four VPNs installed.
FY 2003 DATA	**2003 Results**	**ON+:** Department employees worldwide now have desktop Internet access and a consolidated program office has been established to modernize the Department's entire infrastructure (classified and unclassified) on a four-year cycle. **VPN:** A cumulative total of 125 VPNs installed, thus providing a reliable and efficient backup for 48% of the Department's posts should primary network connections fail. The remaining 135 posts are scheduled for VPN installation in FY 2004 and FY 2005 under this multi-year project.
	Target	**ON+:** Extended to all existing global OpenNet sites. A cumulative total of 125 VPNs installed.
	Rating	🟩 **ON+: On Target** 🟩 **VPN: On Target**
	Impact	**ON+:** Facilitates communication and collaboration internally as well as with the public, business, other USG agencies, and foreign governments. **VPN:** Increases the likelihood that information from overseas posts will reach intended recipients rapidly and reliably.
	Other Issues	**VPN:** Provides the backup infrastructure for an integrated network system used by State and forty other USG agencies represented at various overseas posts.

I/P #7: READY ACCESS TO INTERNATIONAL AFFAIRS APPLICATIONS AND INFORMATION *Continued*

EFFICIENCY INDICATOR

Indicator #2: Progress Toward Replacing Classified and Unclassified Desktop Computers More Than Four Years Old

FY RESULTS HISTORY	**2000**	● Unclassified- 10% ● Classified- 90%
	2001	● Classified Connectivity Program (CCP) installed at seventy-four posts. ● Began replacing 1,875 desktops and 90 servers.
	2002	● CCP installed at 135 posts. ● Six percent of overseas classified desktop computers are slower than the 450MHz standard. ● Thirty-five percent of unclassified desktop computers are over four years old.
FY 2003 DATA	**2003 Results**	● CCP installed at 224 scheduled posts. With this accomplishment and the completion of OpenNet Plus, no significant number of Department desktops are more than four years old. (Targets #1 and #3) ● A consolidated program office was established to modernize the Department's entire infrastructure (classified and unclassified) on a four–year cycle. (Target #2)
	Target	1. Expand CCP to all 224 eligible overseas posts. 2. Establish consolidated program office to modernize Department's classified and unclassified infrastructure on a four-year cycle. 3. Establish and maintain an equipment refresh program to ensure no equipment is older than four years.
	Rating	■ **Above Target**
	Impact	Department employees worldwide who require it now have desktop access to the Internet and classified systems.

I/P #8: SECURE GLOBAL NETWORK AND INFRASTRUCTURE

Establish a reliable and secure global telecommunications and processing infrastructure.

EFFICIENCY INDICATOR

Indicator #3: Global Network Availability

FY RESULTS HISTORY	2000	Enterprise Network Management program initiated to consolidate global network and systems management.
	2001	**Baseline:** Network availability was 85 percent.
	2002	Network availability was 97 percent.
FY 2003 DATA	**2003 Results**	Network availability was 98 percent.
	Target	98 percent.
	Rating	🟩 **On Target**
	Impact	Information from overseas posts reaches recipients rapidly and reliably.

OUTPUT INDICATOR

Indicator #4: Certification and Accreditation (C&A) of Major Applications

FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	**Baseline:** Four percent of Department systems and networks certified and accredited in accordance with standards promulgated by the National Institutes of Standards and Technology.
FY 2003 DATA	**2003 Results**	33% of the identified major applications and general support systems received C & A.
	Target	33% of the identified major applications in the Department receive C & A..
	Rating	🟩 **On Target**
	Impact	Ensures integrity, confidentiality, and availability of the Department's information systems.

I/P #9: MODERN, WORLDWIDE, INTEGRATED MESSAGING

Provide the Department with a simple, secure, and user-driven system to support the conduct of diplomacy through modern messaging, dynamic archiving, and information sharing.

OUTPUT INDICATOR

Indicator #5: Elimination of the Legacy Cable System and Status of SMART Deployment

FY RESULTS HISTORY		
	2000	N/A
	2001	Significant progress made in preparing groundwork for upgrade. No actual work completed.
	2002	Comprehensive requirements analysis completed, steering committee formed, users consulted to determine requirements, business process review completed, and prototype developed.

FY 2003 DATA		
	2003 Results	◉ Prototype evaluated. ◉ Acquisition strategy changed by Steering Committee from time and material contract to design demonstration competition. ◉ Request for Quotation for design demonstration deployment and operations drafted and released. ◉ Evaluation of vendor proposals begun and project on target under revised acquisition strategy.
	Target	◉ Test prototype. ◉ Determine final requirements, and complete system design.
	Rating	■ Slightly Below Target
	Impact	When fully deployed, SMART will reengineer, consolidate, centralize, and modernize the Department's formal and informal messaging processes and systems. SMART will have the ability to search and manage the information contained in the more than 72 million messages that are sent each year through diplomatic channels.

Official logo of the Department of State's Messaging and Archive Retrieval Toolset. SMART will replace the Department's antiquated global cable system and revolutionize messaging systems and processes.

Department of State Photo

PERFORMANCE GOAL 3

Personnel are safe from physical harm and national security information is safe from compromise

I/P #10: SECURE EMPLOYEES

Ensure global security provided to the Department of State and foreign affairs agencies is adequate and appropriate for protection of personnel under Chief of Mission authority.

OUTPUT INDICATOR	
Indicator #1: Installation of Technical Security Upgrades (100% = 133 posts)	

FY RESULTS HISTORY	2000	N/A
	2001	**Baseline:** Technical Security Upgrades (TSUs) completed at 23 posts.
	2002	TSUs completed at 77 posts.
FY 2003 DATA	**2003 Results**	TSUs completed at 111 posts.
	Target	TSUs completed at 104 posts.
	Rating	◼ **Above Target**
	Impact	The replacement of outdated technical security equipment at our diplomatic facilities has contributed to the greater protection of our employees who are on the frontlines of our nation's diplomatic effort. TSUs have lessened our vulnerability and provided the capability to take a proactive stance against global terrorist threats.

Ribbon-Cutting Ceremony for Opening of New U.S. Embassy Office Building in Dar es Salaam. From left to right, Ambassador Robert V. Royall, former Assistant Secretary for African Affairs Walter H. Kansteiner III, Under Secretary for Management Grant S. Green, Jr., and Tanzanian Vice President Ali Mohammed Shein share the honors of cutting the ceremonial ribbon and officially opening the new U.S. Embassy office building in Dar es Salaam, Tanzania, on March 4, 2003. The former Embassy building was destroyed in a terrorist attack on August 7, 1998, killing 11 Tanzanians, including eight Embassy employees, and injuring 72 Americans and Tanzanians.

Department of State Photo

I/P #10: SECURE EMPLOYEES *Continued*

OUTPUT INDICATOR

Indicator #2: Deployment of Chemical Warfare/Biological Warfare (CW/BW) Countermeasure Masks to Posts Abroad

FY RESULTS HISTORY		
2000	N/A
2001	**Baseline:** First Responder masks and equipment deployed to all posts.
2002	Two of 240 posts provided employee countermeasure masks.

FY 2003 DATA		
2003 Results	Seventy-five of 240 posts provided with and trained in the use of countermeasure equipment; this includes ◉ 25,528 overseas personnel trained. ◉ 95 courses provided for security professionals being trained overseas.
Target	Eighty of 240 posts provided with CW/BW Countermeasure masks.
Rating	🟩 On Target
Impact	CW/BW training and equipment serve to minimize casualties resulting from a Chem/Bio attack among our overseas personnel. By equipping and training all personnel in the use of personal escape masks and self-administration of appropriate medications, the Department's employees will be better protected against these types of attacks.
Other Issues	The Department will add four additional training teams and will streamline logistics to provide training to all overseas posts every two years.

OUTPUT INDICATOR

Indicator #3: Replacement of Armored Vehicles (AVs)

FY RESULTS HISTORY		
2000	N/A
2001	N/A
2002	N/A

FY 2003 DATA		
2003 Results	**Baseline:** Forty-eight armored vehicles replaced.
Target	Forty-eight armored vehicles replaced.
Rating	🟩 On Target
Impact	AVs provide protection of personnel from terrorist attack thereby providing more protection for Department employees while they carry out the Department's mission.

I/P #10: SECURE EMPLOYEES *Continued*

OUTPUT INDICATOR

Indicator #4: Installation of Access Control Systems (ACS)

FY RESULTS HISTORY		
2000	N/A	
2001	**Baseline:** Phase 1 completed for the Harry S Truman Building (HST) and 150 new Smart Card badges issued.	
2002	Phase 2 was 85 percent complete: ● 75 percent of personnel data was gathered and entered into the computer database. ● Phase 2 completed for HST; half of personnel in the Washington National Capital area received new badges.	

FY 2003 DATA		
2003 Results	Completed, ● 100% of HST Perimeter ACS. ● 100% of HST Visitor ACS. ● 95% of HST Network required to support ACS. ● 25% of HST Infrastructure required to support ACS. ● 20% of HST ACS readers installation.
Target	Complete ACS installation at HST by 12/21/2003.
Rating	▢ **Slightly Below Target**
Impact	The Department's ACS program replaces a 15-year old system with a "Smart ID Card" system fully compliant with GSA standards for interoperability, physical access and logical access. The system will also support Public Key Infrastructure and Biometrics.
Other Issues	The results were slightly below target primarily because the Department was unable to leverage contract performance through the existing contract vehicle (i.e., a time & materials contract). To improve performance the Department will, ● Implement recommendations identified from a comprehensive program review, ● Implement a new contracting strategy, and ● Strengthen the project management team.

OUTPUT INDICATOR

Indicator #5: Periodic Security Reinvestigations of State Employees Every Five Years at a Rate of 300 per Month

FY RESULTS HISTORY		
2000	N/A	
2001	**Baseline:** 100 reinvestigations per month.	
2002	189 reinvestigations per month.	

FY 2003 DATA		
2003 Results	364 reinvestigations per month.
Target	300 reinvestigations per month.
Rating	▢ **Above Target**
Impact	This work helps ensure that the Department's employees do not pose security risks that could compromise the safety and security of the United States.

I/P #11: CRITICAL INFRASTRUCTURE PROTECTION

Develop a CIP program plan to identify our worldwide critical infrastructure assets and protect them.

OUTPUT INDICATOR

Indicator #6: Remediation of Identified Critical Infrastructure Protection (CIP) Vulnerabilities

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** Beltsville Information Management Center (BIMC) information assurance vulnerability review conducted.
	2002	Status of remediation for all Tier 1 vulnerabilities progressed to yellow. All other tiers remained at red (CIP scoring system).

FY 2003 DATA		
	2003 Results	Alternate Communications Site reaches Initial Operating Capability (IOC) with 50% of BIMC redundant circuits installed and operational. Tier 1 vulnerabilities progress to green. All Tier 2 and 50% of tier 3 vulnerabilities progress to yellow.
	Target	● Alternate Communications Site reaches IOC with 50% of BIMC redundant circuits installed and operational. ● All Tier 1 vulnerabilities progress to green. ● All Tier 2 and half of Tier 3 vulnerabilities progress to yellow.
	Rating	🟩 **On Target**
	Impact	The Department now has a functioning redundant communications capability.

PERFORMANCE GOAL 4

Secure, safe, and functional facilities serving domestic and overseas staff

I/P #12: CAPITAL SECURITY CONSTRUCTION

Award capital security construction projects as scheduled in the Long-Range Overseas Buildings Plan (LROBP).

OUTPUT INDICATOR

Indicator #1: Number of New Sites Acquired for Capital Security Construction Projects

FY RESULTS HISTORY		
2000	N/A	
2001	6	
2002	10	

FY 2003 DATA		
2003 Results	5	
Target	4	
Rating	■	**Above Target**
Impact	Sufficient new secure sites have been obtained by the Department on which to construct secure, safe, and functional capital security construction projects in accordance with the schedule set by the Long-Range Overseas Buildings Plan (LROBP).	

OUTPUT INDICATOR

Indicator #2: Number of Capital Projects Awarded In Accordance With LROBP

FY RESULTS HISTORY		
2000	N/A	
2001	N/A	
2002	13	

FY 2003 DATA		
2003 Results	9	
Target	7	
Rating	■	**Above Target**
Impact	The capital security construction projects awarded in FY 2003 will produce new embassy and consulate compounds that provide secure, safe, and functional facilities to enable overseas employees to carry out the vital interests of the United States.	

I/P #13: FOGGY BOTTOM RENOVATION/CONSOLIDATION

Consolidate essential staff in Foggy Bottom.

OUTPUT INDICATOR

Indicator #3: Renovation of the Harry S Truman Building (HST)

FY RESULTS HISTORY		
	2000	Phase 1A on schedule.
	2001	Phase 1A of Old State demolition begun.
	2002	● Phase 1A of Old State demolition completed. ● Infrastructure construction started.

FY 2003 DATA		
	2003 Results	**Old State Renovations – Key Achievements** ● Old State 8th floor vacated and demolition 100% complete. ● Infra-structure construction 95% complete. ● Space planning complete; office and special space design complete. ● Interiors construction contract bids received. ● Blast-resistant windows replacement started. ● Perimeter Security Improvements Concept Design approved by the Secretary. ● Network Control Center construction complete. ● U.S. Diplomacy Center pre-concept design 50% complete. ● Phase 2 New State Cafeteria dining area upgrades complete, with North server upgrades 90% complete. ● 6th floor corridor improvements 75% complete. ● Delegates Lounge upgrades complete. ● Jefferson Information Center concept design complete.
	Target	Begin Phase 1A of Old State renovations.
	Rating	🟩 **On Target**
	Impact	These renovations provide secure, safe, and functional facilities for the Department's employees.

OUTPUT INDICATOR

Indicator #4: Foreign Affairs Consolidation

FY RESULTS HISTORY		
	2000	N/A
	2001	● Initial ACDA and USIA office moves to Foggy Bottom completed. ● General requirements provided to architect for American Pharmaceutical Association (APhA) building addition.
	2002	● 100% of Foggy Bottom office renovations completed. ● Concept approval from Commission on Fine Arts presented to Historic Preservation Review Board, Advisory Neighborhood Council, and Zoning Commission. ● Consolidation 85 percent complete.

FY 2003 DATA		
	2003 Results	● Owner/developer secured approval of most of the reviewing agencies for APhA building addition.
	Target	Owner/developer secured approval of reviewing agencies for APhA building addition.
	Rating	🟩 **On Target**
	Impact	The prospectus gives the Department of State the authority to proceed with the consolidation.

I/P #14: NEW OFFICE BUILDING FOR U.S. MISSION TO UNITED NATIONS

A new office building for the U.S. Mission to the United Nations will provide secure, safe, and functional workspace for the USUN staff as well as other Department of State activities located in New York City.

		OUTPUT INDICATOR
		Indicator #5: USUN New Construction
FY RESULTS HISTORY	2000	50% design level.
	2001	NOB (New Office Building) design is 90 percent completed; interim office building space sought.
	2002	● NOB design is 98 percent completed. ● Interim Office Building (IOB) space sought.
FY 2003 DATA	**2003 Results**	● $14 million IOB funding obtained. ● GSA not able to finalize IOB lease in FY 2003. As a result, lease signing and IOB build-out are delayed to FY 2004.
	Target	● Obtain IOB funding. ● Award IOB lease. ● Complete IOB build-out.
	Rating	🟥 **Significantly Below Target**
	Impact	The lack of an IOB lease and build-out in FY 2003 has delayed the overall USUN construction schedule such that the occupancy of the new USUN building may slip to FY 2008 from FY 2007.

PERFORMANCE GOAL 5

Personnel are safe from physical harm and national security information is safe from compromise

I/P #15: INTEGRATE BUDGET AND PERFORMANCE

Use sound planning to integrate the Department's policy formulation, execution, and resource management functions.

OUTCOME INDICATOR

Indicator #1: Budget and Performance Integration
The "Status/"Progress" Results utilize OMB's President's Management Agenda Scoring

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** Status: Red. Progress: Red.
	2002	Status: Red. Progress: Green.

FY 2003 DATA		
	2003 Results	Status: Red. (Yellow status achieved after fiscal year 2003 ended.) Progress: Green.
	Target	Status: Yellow. Progress: Green.
	Rating	🟨 **Slightly Below Target**
	Impact	New OMB criteria ("Proud to Be") resulted in a revised schedule to achieve "yellow" and "green" status. Better integration of budgeting and performance will improve the Department's overall ability to leverage resources and achieve its mission.

OUTPUT INDICATOR

Indicator #2: Implementation of Central Financial Planning System (CFPS) Modules

FY RESULTS HISTORY		
	2000	N/A
	2001	N/A
	2002	**Baseline:** The initial design, funding, and preparations with pilot bureau completed.

FY 2003 DATA		
	2003 Results	Mission Performance Plan, Bureau Performance Plan and Statement of Net Costs modules completed and implemented.
	Target	Complete development and phased deployment of the Mission Performance Plan Module, the Bureau Performance Plan Module, and the Statement of Net Cost module.
	Rating	🟩 **On Target**
	Impact	This system's development will allow the Department to better plan, budget and manage resources, and track performance against goals and objectives.

I/P #15: INTEGRATE BUDGET AND PERFORMANCE *Continued*

OUTPUT INDICATOR

Indicator #3: Status of Annual Accountability and Performance Reports

FY RESULTS HISTORY		
	2000	● FY 1999 Accountability Report issued late. ● FY 1999 Performance Report issued on time.
	2001	● FY 2000 Accountability Report issued on time. ● FY 2000 Performance Report issued on time.
	2002	● FY 2001 Accountability Report issued on time. ● Report received the Association of Government Accountants (AGA) "Certificate of Excellence in Accountability Reporting" (CEAR) award. ● FY 2001 Performance Report issued on time.

FY 2003 DATA		
	2003 Results	● FY 2002 Performance and Accountability Report issued on time. ● Report received the CEAR award.
	Target	● Issue the FY 2002 Performance and Accountability Report on time. ● Report receives the CEAR award.
	Rating	■ **On Target**
	Impact	Report communicates performance results and financial information in a clear and direct manner thereby increasing the public's confidence in the Department's ability to execute its mission. A measure of the Report's clarity/transparency was improvement in its ranking by the Mercatus Center—from 20th to 11th place out of 24 CFO Agencies.

I/P #16: IMPROVE FINANCIAL PERFORMANCE

Provide world-class financial services that support strategic decision-making, mission performance, the President's Management Agenda, and improved accountability to the American people.

OUTPUT INDICATOR

Indicator #4: Improved Financial Performance (President's Management Agenda, OMB Scoring)
The "Status/"Progress" Results utilize OMB's President's Management Agenda Scoring

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** Status: Red. Progress: Red.
	2002	Status: Red. Progress: Green.

FY 2003 DATA		
	2003 Results	Status: Red. (Yellow status achieved after fiscal year 2003 ended.) Progress: Green.
	Target	Status: Yellow. Progress: Green.
	Rating	⬜ **Slightly Below Target**
	Impact	Meeting all requirements to progress to "yellow" and then "green" status will insure high quality financial management in accordance with USG-wide standards.

OUTCOME INDICATOR

Indicator #5: Financial Services Consolidation

FY RESULTS HISTORY		
	2000	USIA and ACDA financial services integrated into Department. Foreign currency purchasing from FSC Paris and FSC Bangkok consolidated to FSC Charleston.
	2001	The Department approved the transfer of certain financial management functions to FSC Charleston. The Department approved the transfer of posts serviced by FSC Paris to FSC Charleston and FSC Bangkok, and the closure of FSC Paris.
	2002	Implementation plan submitted to OMB. Initial implementation of Regional Financial Management System (RFMS) in FSC Charleston. The Department took occupancy of the second building in Charleston complex in April 2002.

FY 2003 DATA		
	2003 Results	1. Domestic processing for American payroll and Foreign Service Pension is now operating in FSC Charleston. 2. All overseas posts serviced by former FSC Paris are now serviced by FSC Charleston and FSC Bangkok.
	Target	1. Relocate domestic processing for American payroll and Foreign Service Pension to FSC Charleston. 2. Fully convert all posts serviced by FSC Paris to FSC Charleston and FSC Bangkok.
	Rating	🟩 **On Target**
	Impact	The Department's financial processing is being consolidated to the Charleston, South Carolina Financial Service Center. Consolidation efforts result in better and more standardized procedures and a reduction of the number of systems and related operational costs. Consolidation will better position the Resource Management bureau to support the Department's foreign policy agenda and decision-making, and meet the increasing reporting, security and regulatory requirements established by OMB, Treasury, and a variety of legislation.

PERFORMANCE GOAL 6

Customer-oriented, innovative delivery of administrative and information services and assistance

I/P #17: WORLDWIDE LOGISTICS

Improve customer support and increase the efficiency of the Department's worldwide logistics support system. Implement Quality Sourcing to provide the necessary technical support for competitive sourcing and performance-based service contracting.

		EFFICIENCY INDICATOR
		Indicator #1: Percentage of Service Contract Dollars That are Performance-Based
FY RESULTS HISTORY	2000	N/A
	2001	N/A
	2002	**Baseline:** Plan for implementing a performance-based contract program approved.
FY 2003 DATA	**2003 Results**	Program implemented; through the third quarter of FY 2003, 8% of Department's service contract dollars are performance-based.
	Target	Implementation underway.
	Rating	🟩 **On Target**
	Impact	The Department has begun to take advantage of performance-based contracting which enables it to structure contracts so that vendors work towards a stated result, thereby giving the Department better control over the work and better value for its dollar.

I/P #17: WORLDWIDE LOGISTICS *Continued*

INPUT INDICATOR

Indicator #2: Logistics in the Areas of Acquisition, Distribution, Transportation, Travel and Diplomatic Pouch and Mail

FY RESULTS HISTORY		
	2000	N/A
	2001	● Detailed implementation plan and requirements analysis complete. ● Design of the Integrated Logistics Management System (ILMS) 25% complete.
	2002	● Design/development 50% complete. ● Deployment strategy complete. ● Initial implementation of Diplomatic Pouch and Mail bar-code tracking system.

FY 2003 DATA

|		
2003 Results	**ILMS** ● Procurement module operational in four domestic bureaus and one overseas regional procurement facility. ● Asset Management module piloted at one overseas post. ● Diplomatic Pouch and Mail module fully deployed and operational in both the unclassified and classified pouch facilities. **Logistics Management (A/LM) Balanced Score Card (BSC)** ● Conducting a "bottom up" review and developing scorecard initiatives and performance indicators within each Directorate, Division and Branch. These scorecards and initiatives will then be incorporated into the A/LM BSC.	
Target	● Deploy Perfect Order Performance for Secure Logistics (i.e., ILMS). ● Implement the Balanced Score Card (BSC) system in all business units.	
Rating	🟩 **On Target**	
Impact	**ILMS** ● **Increased Efficiency:** Bureaus can now electronically enter, route and approve requisitions as well as commit funds in ILMS; Acquisitions Office no longer re-enters requisitions; Contracting Officers can obligate funds via ILMS in real-time. ● **Enhanced Visibility:** ILMS users have greatly enhanced visibility into status of their request. The London pilot identified enhancements necessary to improve usability by overseas posts. ● **Increased Output:** Diplomatic Pouch and Mail has increased their average daily output by 60% from 500 to 800 pouches per day. **BSC** ● **Increased Customer Service:** Incorporating results into A/LM scorecard will provide goals and indicators that measure accomplishments.	

I/P #18: OVERSEAS SCHOOLS ACCREDITATION

Support posts abroad by ensuring to the fullest extent possible the availability of elementary and secondary educational opportunities to prepare USG dependents for reentry into the U.S. educational system.

OUTPUT INDICATOR

Indicator #3: Accreditation of Overseas Schools

FY RESULTS HISTORY		
	2000	N/A
	2001	**Baseline:** 148 accredited schools.
	2002	155 accredited schools.

FY 2003 DATA

2003 Results	165 accredited schools.
Target	162 accredited schools out of approximately 187.
Rating	🟦 **Above Target**
Impact	Accreditation is a major factor in determining school quality. More U.S. accredited overseas schools means that USG dependents abroad have access to education comparable to education in the United States. This is a key factor in the Department's ability to retain a qualified workforce.

I/P #19: RECORDS AND PUBLISHING SERVICES

Leverage information resources and institutional knowledge in support of goals for information availability and objectives regarding protection of and access to critical information.

EFFICIENCY INDICATOR

Indicator #4: Freedom of Information Act Request Backlog

FY RESULTS HISTORY		
2000	Zero percent reduction.	
2001	Zero percent reduction.	
2002	**Baseline:** Achieved a twenty percent reduction in the FY 2001 backlog of 6,214 FOIA requests.	

FY 2003 DATA		
2003 Results	Fifty percent reduction as of the end of FY 2003.	
Target	Achieve a forty Percent Reduction in the FY 2001 backlog.	
Rating	■ **Significantly Above Target**	
Impact	As the Office of Records and Publishing Services works to reduce the FOIA backlog, it is also improving business processes. Better use of and investments in technology have significantly improved responses to requesters.	

I/P #20: ALLOWANCES

Maintain timely review and processing of overseas submissions for allowance and differential rates in order to compensate employees properly for current costs and conditions, and to ensure that the U.S. Government is paying appropriate rates.

OUTPUT INDICATOR

Indicator #5: Status of eAllowances System

FY RESULTS HISTORY		
2000	N/A	
2001	N/A	
2002	**Baseline:** User requirements identified.	

FY 2003 DATA		
2003 Results	● Customer Focus Team Meeting held and Alternative Analysis completed. ● Systems Requirements Specifications and Per Diem Business Processing Re-engineering (BPR) completed; User requirements completed. ● OMB Business Case developed. ● Statement of Work in draft.	
Target	Complete preliminary work and development on eAllowances System.	
Rating	■ **On Target**	
Impact	Study period for eAllowances has been completed as described in Managing State Projects (MSP); developed communications and change management strategies; ready to move to Acquisition phase.	

VIII. Program Evaluations and PART Reviews

Two program evaluations and one OMB PART review for the FY 2004 budget process were conducted in FY 2003 pertaining to this Strategic Goal.

1) Domestic Travel Card Program (AUD/FM-03-022), (OIG)
2) Audit of the U.S. Department of State 2002 and 2001 Principal Financial Statements (AUD/FM-03-18), (OIG)
3) Capital Security Construction, (OMB PART)

Detailed information on major findings, recommendations, and actions to be taken, for the PART review and program evaluations can be found in the "OMB PART Summaries" and the "Completed Program Evaluations for FY 2003" appendices.

MILESTONES OF AMERICAN DIPLOMACY

1778: Treaty of Alliance with France, engineered by Benjamin Franklin, enabled the fledgling republic to continue its struggle for independence.

1783: Treaty of Paris-Great Britain recognized American independence and control over western lands as far as the Mississippi.

1803: Louisiana Purchase removed foreign control of Mississippi's mouth and doubled U.S. territory.

1819: Adams-Onis Treaty with Spain, transferring Florida, extended the U.S. to present boundaries in southeast.

1823: Monroe Doctrine established U.S. policy of opposing European intervention or new colonization in Western Hemisphere.

1846: Oregon Treaty with Great Britain extended U.S. sole dominion to the Pacific.

1848: Treaty of Guadalupe-Hidalgo, ending 1846-48 war with Mexico, confirmed U.S. claim to Texas and completed U.S. expansion to Pacific.

1867: Alaska purchase ended Russian territorial presence and completed U.S. expansion on North American mainland.

1918: Allies and Germany accepted Wilson's 14 points as basis for just and lasting peace ending World War I.

1945: U. S. and 50 other countries founded the United Nations.

1947: Truman Doctrine asserted U.S. policy of containing Soviet expansion through economic and military aid to threatened countries.

1947: Marshall plan of aid to Europe set foundation for economic cooperation among industrial democracies.

1948: Ninth International Conference of American States created the Organization of American States (OAS) to intensify U.S. and Latin American collaboration in all fields.

1948: NATO, first U.S. alliance concluded in peacetime, provided integrated force for defense of Western Europe and North America.

1963: Limited Nuclear Test Ban Treaty, first major-power agreement regulating atomic weapons testing, banned explosions in the atmosphere, in outer space and under water.

1967: Non-Proliferation Treaty, now signed by 110 governments, banned the spread of atomic weapons.

1972: Strategic Arms Limitation Talks (SALT) agreements with U.S.S.R. prescribed mutual limitations on defensive and offensive weapons and established SALT as a continuing process.

1972: President Nixon's February visit to China followed Secretary Kissinger's earlier negotiations in Peking, marking first important step in the process of normalizing relations with the People's Republic of China.

1979: U.S. established diplomatic relations with the People's Republic of China ending 30 years of nonrecognition.

1979: Israel-Egypt Peace Treaty (Camp David Accords) ended 30 years of conflict between the two countries and provided possible framework for comprehensive peace in the Middle East.

1986: The U.S. Congress implemented strong economic sanctions against South Africa, which helped to bring an end to apartheid in 1991.

1989-1991: As President George H.W. Bush stated a desire to integrate the Soviet Union into the community of nations, the Cold War ended when communist regimes collapsed across Eastern Europe and the Soviet Union disintegrated.

1990-1991: In response to the Iraqi invasion of Kuwait, the United States built an international coalition to defend Saudi Arabia and, after United Nations approval, to eject Iraq from Kuwait through Operation Desert Storm.

1994: The North American Free Trade Agreement (NAFTA) between the United States, Canada, and Mexico took effect and the United States joined another structure that promoted global free trade, the World Trade Organization.

1995: The General Framework Agreement for Peace in Bosnia and Herzegovina ended the Bosnian civil war by providing for NATO troops to serve as peacekeepers.

2001: The United States led a global coalition that fought a war against terrorism in the wake of the September 11 terrorist attacks in New York and Washington D.C.

2003: After Iraq's repeated refusals to comply with UN resolutions, the United States led a coalition to depose the regime of Saddam Hussein.

RESOURCE SUMMARY BY STRATEGIC GOAL

RESOURCE SUMMARY

U.S. DEPARTMENT OF STATE
APPROPRIATIONS ACT RESOURCES

($ in thousands)

STRATEGIC OBJECTIVE Strategic Goal	FY 2002 Actual		FY 2003 Actual	
	Positions[1]	Funds	Positions	Funds
ACHIEVE PEACE AND SECURITY				
RS Regional Stability	1,215	$ 1,037,372	1,247	$ 899,936
CT Counterterrorism	671	120,698	905	120,790
HS Homeland Security	615	89,990 [2]	638	86,500 [2]
WD Weapons of Mass Destruction	504	138,436	485	150,489
IC International Crime and Drugs	712	91,135	717	87,437
AC American Citizens	674	79,420 [2]	579	51,910 [2]
ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS				
DE Democracy & Human Rights	815	577,669	783	571,006
EP Economic Prosperity and Security	1,236	427,348	1,139	496,444
SE Social & Environmental Issues	721	303,228	689	273,405
HR Humanitarian Response	169	25,655	166	68,461
PROMOTE INTERNATIONAL UNDERSTANDING				
PD Public Diplomacy and Public Affairs	2,270	428,201	2,392	423,748
STRENGTHEN DIPLOMATIC AND PROGRAM CAPABILITIES				
MG Management and Organizational Excellence	9,450	4,465,357	9,573	4,364,506
Strategic Goal Sub Total	**19,052**	**7,784,509**	**19,313**	**7,594,632**
Office of the Inspector General	314	29,000	314	29,074
GRAND TOTAL	**19,366**	**$ 7,813,509**	**19,627**	**$ 7,623,706**

[1] *The "Positions" column denotes the number of direct funded American positions.*

[2] *Additional funds collected from visa, passport and other fees are used to support this strategic goal.*

RESOURCE SUMMARY

U.S. DEPARTMENT OF STATE AND OTHER
FOREIGN AFFAIRS AGENCIES
FOREIGN OPERATIONS AND FOOD AID RESOURCES
($ in thousands)

STRATEGIC OBJECTIVE Strategic Goal	FY 2002 Actual Funds	FY 2003 Actual Funds
ACHIEVE PEACE AND SECURITY		
RS Regional Stability	$ 5,151,953	$ 7,242,880
CT Countering Terrorism	581,735	1,187,645
HS Homeland Security	352	338
WD Weapons of Mass Destruction	345,074	211,260
IC International Crime and Drugs	1,245,586	1,132,316
AC American Citizens	-	-
ADVANCE SUSTAINABLE DEVELOPMENT AND GLOBAL INTERESTS		
DE Democracy & Human Rights	769,783	769,664
EP Economic Prosperity and Security	2,724,449	2,810,357
SE Social & Environmental Issues	1,564,119	1,956,541
HR Humanitarian Response	1,039,022	1,290,207
PROMOTE INTERNATIONAL UNDERSTANDING		
PD Public Diplomacy and Public Affairs	136,040	123,264
STRENGTHEN DIPLOMATIC AND PROGRAM CAPABILITIES		
MG Management and Organizational Excellence	1,297	481
Strategic Goal Sub Total[1]	**13,559,410**	**16,724,952**
OTHER FOREIGN OPERATIONS[2]	4,406,982	**6,948,410**
Total - Foreign Operations	**17,966,392**	**23,673,362**
Agriculture - P.L. 480 Title II (Food Aid)	**958,820**	**1,441,000**
GRAND TOTAL	**$ 18,925,212**	**$ 25,114,362**

[1] Department administered accounts total $2,933,200 in FY 2002 and $2,578,429 in FY 2003, and include the INCLE, ACI, IO&P, MRA, ERMA, NADR and PKO accounts. The balance of funds are implemented by other foreign affairs agencies.

[2] Includes international affairs resources (Function 150) for other USG agencies to which the Department provides foreign policy guidance (e.g., EXIM, OPIC, TDA, Peace Corps), international financial institutions, and the Iraq Relief and Reconstruction Fund that is under the direction of the Coalition Provisional Authority (CPA).

INTERESTING HISTORICAL NOTES

SEWARD'S ABORTIVE INITIATIVE

At the beginning of President Lincoln's Administration in April 1861, the new Secretary of State, William H. Seward of New York, proposed to end domestic political strife over the all-consuming question of slavery by pursuing an active foreign policy, one that might lead to declarations of war against France or Spain, thus uniting domestic factions against a foreign threat. Seward even volunteered himself as the principal prosecutor of such a policy. The President tactfully rebuffed this extraordinary proposal. Thereafter, Seward, subordinated himself to the President and served him loyally and effectively.

THE HULSEMANN-WEBSTER EXCHANGE

In 1850 the Austrian charge in Washington, the Chevalier Hulsemann, who strenuously objected to supposed American interference in the domestic affairs of Hungary, communicated an insulting message to the Department of State. His Government, he stated, had "deemed it proper to preserve a conciliatory deportment making ample allowance for the ignorance of the Cabinet of Washington on the subject of Hungarian affairs and its disposition to give credence to the mendacious rumors which are propagated by the American press."

To this statement Secretary of State Daniel Webster replied in kind: "Nothing will deter either the Government or the people of the United States from . . . forming and expressing their own opinions freely and at all times upon the great political events which may transpire among the civilized nations of the earth. Their own institutions stand upon the broadest principles of civil liberty; and believing those principles . . . to be . . . in fact the only principles of government which meet the demands of the present enlightened age, the President has perceived with great satisfaction that in the constitution recently introduced into the Austrian Empire many of these great principles are recognized and applied."

DIPLOMACY'S BEST DEAL

In 1803, two U.S. diplomats, American Minister to France Robert Livingston and Special Negotiator James Monroe, concluded the largest real estate transaction ever when they secured the entire territory of Louisiana for the United States. Although Livingston and Monroe exceeded the orders of President Thomas Jefferson—and their spending limit—the deal was too good to pass up. As Livingston reported, the French Treasury Secretary urged him to "Consider…the importance of having no neighbors to dispute you, no war to dread." The Americans did, and two weeks later on April 30, 1803, the French agreed to sell the entire territory for the bargain price of $15 million.

DIPLOMACY AND THE TELEGRAPH

At the end of the Civil War in 1865, diplomatic reports to and from our missions abroad moved at the pace of ships crossing the ocean. But everything changed the following year with the completion of the transatlantic cable linking the United States and Europe. Just a few months later, the Department of State established a telegraphic office to handle the important new messages. Although diplomats learned to write more concisely, the Department warned that it was expensive and not to be used "except when justified by the importance and urgency of the case…" Diplomats took the message to heart and trimmed their prose accordingly. In 1881, the U.S. Minister to Russia, John W. Foster, earned the distinction of sending the shortest diplomatic dispatch. "Emperor Dead," he wrote. No one since has crafted a more concise cable.